

Misc St. Pamph

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Handbook Series 23. *25c*

HOW TO MAKE
MONEY in the
STAMP BUSINESS



P u b.

b y

A. Bullard & Co.

No. 446 Tremont Street

BOSTON, *MASS.*

**HOW - TO - MAKE
MONEY - IN - THE
STAMP BUSINESS**

GETTING STARTED



THE duplicate stamp is the germ which breeds the disease called "the stamp business." This is not a chronic disease, except in rare cases. If it were, there would probably be a million hopeless cases in America by to-day, or say a couple dealers to every individual collector. In other

words, a great many go into the business, but few understand how to make a success of it, or remain in it any length of time.

Let us see just what the duplicate stamp has to do with it. Here is Smith who has taken up stamp collecting as a pastime. He has only been at it a few days, but he already has a number of duplicate stamps which are of no use to him. These he pastes in a small book or upon some loose sheets and starts out in search of Brown, another collector who also has duplicates. When the two collectors meet they exchange their duplicates and in consequence Smith and Brown both add new stamps to their collections and the exchange is mutually beneficial. This traffic, or exchange, is purely a business transaction, and both parties are already dealing in stamps on a very limited scale. But Smith has an eye to business. He has heard of a concern selling stamps in small wholesale lots at a greatly reduced price. The stamps contain a great many duplicates but they are just the thing for a small dealer. He sends on an order, for he has decided to go into the stamp business and sell to the boys

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to purchase these issues for foreign dealers, and the number sold in this way and sent out of the country yearly is very great.

Smith made a good profit on the French stamps and soon sent over another order, larger than the first, and also requested his friend to send him wholesale lists which certain dealers, who do a large export business, and who are known to be reliable, issue from time to time. It has been the writer's experience that stamps in large wholesale lots can be purchased cheaper in France than elsewhere, although American wholesale dealers are very reasonable, much more so than the English, and seldom charge postage on orders. It costs 25 to 30c to import 1000 stamps from abroad, as the postage rates average 5c for every half ounce.

When the wholesale lists are received by Smith he can deal direct with the large wholesale houses in Paris and elsewhere and with some arrange to send over quantities of high-value U. S. stamps, dues and other good issues, and receive in exchange stamps from Europe and elsewhere. Smith has now become an "exporter" as well as importer of postage stamps, and is able to dispose of quantities of stamps which hitherto were of little value to him. Smith is in a position to buy stamps at home and abroad at figures which allow a good profit if sales are sufficiently large to warrant purchases in wholesale lots. To increase his sales, however, he must open an "approval sheet" department and advertise for agents outside his own town.

BUYING STAMPS



certain Smith had been chosen, by way of illustration, to act as "leading character" up to this point, and manage the stamp business in a small way in his own town and on his own hook. The idea of opening up an approval-sheet department and advertising for agents in other towns and in cities, is one which involves expense beyond Smith's means; so that it will be necessary to call a second party to the scene of action.

To organize a stamp company calls for a certain amount of capital at the start, for approval sheets or books must be bought or printed, also a price list with terms to agents, and envelopes, size 6¼ with name in corner and a request to "return if not called for" in five or ten days. Then return envelopes must be printed with address in bold type in the centre of the envelope. These should be a size smaller than the others (No. 6¼) so that they can be enclosed in the others when sheets are sent out to agents. Advertisements, calling for agents, must also be placed in journals, and incidental expenses met in addition to laying in a large stock of stamps.

Smith therefore calls on his old friend Brown and reveals his plan to him confidentially, inviting him to join a partnership. Brown has also had some experience in selling stamps and is fortunate enough to have a few dollars in his

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pocket besides, and a few stamps, so the two thereupon form a partnership under the name of "Smith and Brown" for the purpose of carrying on the stamp business on a larger scale. There is no license to get and the only formality to go through is to draw up on a sheet of paper a statement to the effect that Smith and Brown on a certain day have joined a partnership, that each will contribute an equal share (it is stated how much money and the value of the stamps each one contributes) and that the net earnings shall be equally divided. (Where both parties do not contribute equally the dividends usually are unequally divided.) Both sign their names to the document and a duplicate one is drawn up and signed so that each partner may have a copy. Then active operations begin.

The first and one of the most dangerous pitfalls in the way of the novice is in buying stock indiscriminately. It is the rock on which many a fine ship (partnership more appropriately) has been dashed to pieces. Almost all beginners (poor, generous souls) pay far too much for their stock, make nothing on their investment, and sooner or later close out or fail up. Don't, above all things, pay fancy prices for wholesale lots of stamps. If you can't make a fair profit on a stamp, don't buy it, no matter how fine you imagine it will look in your stock book or upon one of your choicest approval sheets. The expense of selling a stamp is so great—advertising it, handling it, wear, tear and possible loss of it, commission on it, and cost of stationery and postage

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to send it away—that the original cost must be as small as possible. This is more certainly true of stamps than any other article we have in mind.

Stamps may be classed under three heads according to their value and scarcity.

First are the “continentals” or common stamps of Europe, used as filling for cheap packets, large variety packets, or to be given away for advertising purposes and to induce beginners to get started without expense. Although these stamps are listed in the catalogues at one cent each, they seldom sell at retail for more than ten cents per hundred or 30 cents per 1,000, and usually for less. The wholesale price in the United States for 10,000 to 100,000 lots is reasonable enough, but parties using half million lots or above do better, usually, to import the stamps direct from Europe. Wholesale dealers abroad furnish the stamps in 100,000 lots, selling them by weight, at prices which defy competition. In France, 10 kilos by weight average about 150,000 stamps. A thousand stamps weigh about 2½ ounces. It is best to purchase French stamps in France, Belgian stamps in Belgium, Swiss stamps in Switzerland, and so on, when buying in large quantities, and when all are received, to mix them together yourself. The best method of mixing stamps in large lots is in a box of about the size of a soap box. Run an axis through the center of the box, support both ends of the rod by upright pieces of wood (standards) with holes bored in same, in which the rod may rotate. Hinge a cover on the

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box and fix a clasp on the lid. Now fill the box half full of stamps—a handful of French stamps, another of German, and so on, shut the cover and give the box a twirl. There is no other way of mixing the stamps so well.

To the cost of the stamps must be added the express, which in the case of imported stamps is, of course, the greater. Continentals bought in this country can be sent by freight when the expense is less. The common stamps of the United States and Canada are of the same class as the continentals.

Stamps other than what we have just described, and cataloguing 1c to say 10c, may be included in what we will call the second class. They are the solid meat of most dealers' stocks, excepting the stocks of those who make a specialty of rare stamps. These "second class" stamps, the variety of which is almost countless, are the ones on which most dealers make their profit. They are used in packets, made up into sets, and sold singly over the counter or upon approval sheets. They include some European stamps of a better class than found in continentals, and stamps of almost every postal-issuing country of the world. As the commission paid to agents is about 50 per cent. for selling this class of stamps, large prices, of course, cannot be paid for them. And it is not necessary to pay big prices for a great variety of the stamps coming under this class, provided one knows how to buy and buys in sufficiently large quantities. The various sources of supply for dealers will next be considered.

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The retail stamp business, like various other lines of trade, is dependent for its supply upon the wholesaler or jobber to a large extent. The wholesale dealer imports or purchases in this country stamps in lots too large to be handled by any one retail house. The stamps are sold in lots which the retail merchant can use and often make a good profit on. Not always is this the case, however, for the wholesale and retail prices of certain stamps are so near alike that stamp dealers, as a rule, would do better to leave all such stamps alone. The variety of stamps has become so great through the multiplicity of new issues and the increased number of postal-issuing countries, that no dealer can hope to carry a full line of stamps. Hence it is better for him to confine his purchases to those varieties which can be sold at a profit and let the other fellow handle the other stamps, if he will. The party who sells stamps on too close a margin is not in business for himself. He is simply doing business, without any salary, for somebody else, and sooner or later will be "driven to the wall." As we have explained before, but will repeat for emphasis, the expenses of conducting a successful stamp business are so great in comparison with the actual amount of business carried on, that there must be a wide difference between the relative market price of a single stamp and of a thousand stamps of the same variety. Among the stamps which wholesalers sell at very reasonable prices may be found lots which sell as readily at catalogue prices as other lots which can only be bought at fancy prices.

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Of course it is understood that the larger the purchase the cheaper the stamps can be bought. Most wholesalers list their stamps so much per 10, 100, and 1000 of a single kind, or in varieties from a single country. The extent of one's purchase, of course, must depend on the scale of the business actually done; but if possible buy in large quantities.

As soon as the business is well enough established the importation of stamps should be undertaken on a large scale. Both wholesale foreign dealers and foreign collectors are willing to exchange stamps. Foreign collectors, especially, will send you through the mails several hundred stamps from their own country in exchange for American stamps or others. The addresses of such dealers and collectors are occasionally found in the advertising columns of American stamp journals. The foreign journals, of course, are full of them. An advertisement in several of the leading trade journals of Europe will help you to get acquainted. But don't advertise until you have the stamps to exchange, for few collectors in any part of the world care to receive current issue 1c and 2c stamps of the United States in exchange for stamps of a better grade. On the other hand, when sending the first consignment to parties unknown, it is a risk to send too valuable stamps. It takes time, patience, and often the loss of both cash and stamps, to build up an exchange trade with foreign dealers and collectors, but this branch of the business becomes a most lucrative one when finally established.

Unused stamps of current issue are sometimes purchased by mail of the postmasters of foreign countries. As a rule, however, unused current stamps are not profitable sellers.

Bidding at auction sales is another means of buying stamps in wholesale lots. Several dealers

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in this country hold these sales at intervals of two weeks or one month, throughout the year, and occasionally advertise wholesale lots in connection with the single stamps they dispose of to collectors. Whenever a wholesale lot is put up it is a chance for some dealer to secure the lot at practically his own price, for the lots usually go at considerably less than current wholesale prices. The bidding is done mostly by mail, and every mail bidder who uses judgment has an equal chance of securing the stamps.

The issuing of buying price lists is another means of securing stamps, especially the stamps of one's own country. The list gives the cash and exchange prices which you will pay for the various issues. The expense of getting up the catalogue, and often more, is raised by selling the book at from 5c to 10c a copy. Buying catalogues are in great demand by the majority of collectors.

Collectors living in large cities have opportunities for getting the stamps listed in these catalogues. There are the foreign consular offices, the foreign missionary rooms, the importing houses, and other places to be visited where foreign mails are received. Then there are the banks and large commercial houses which handle a large domestic mail. From such sources the stamps are collected in lots of ten to one thousand of a kind, and sold to the dealer for the price offered in his buying list.

Collectors living in the country are equally as diligent in looking through hair trunks and ransacking garrets in search of stamps on old letters and civil war revenues.

Proprietary stamps are found on old bottles laid away on closet shelves. Junk dealers often have barrels of old bottles with stamps which any collector could, for a few cents, purchase the privilege of soaking off.

Some dealers, besides issuing a buying list, advertise in the stamp magazines to buy old stamps, also upon their price lists or the backs of their envelopes.

We have thus far told how the stamps of the average class—those listed in the catalogues at from 1c to say 10c each, are obtained by dealers. The rarer stamps—all above 10c—are bought almost entirely in collections which are offered for sale by collectors who have become tired of the pursuit or who are in need of money. Collectors are not unlike their fellow beings in at least one great respect—their fondness for the almighty dollar, especially when that dollar cannot be had without a sacrifice. And while the stamp dealer never hangs out three brass balls over the entrance of his establishment many seek him, as their true philatelic uncle, when in need of a little cash.

Whenever a collection is bought containing a thousand or more varieties, a number of stamps of the better class are likely to be found in it. Stamps which cannot be bought of wholesale dealers or imported from foreign countries, and which could not be bought cheap enough at auction to be sold again at a profit, are obtained in this way. Often times the collection offered for sale has been handed down in the family, and contains nothing but obsolete stamps, and rare specimens at that.

The cheapest way to obtain a variety of stamps is to purchase a second-hand collection. Dealers who have not an extensive trade need a variety of stamps rather than quantities of the same stamp. By purchasing stamps of wholesale dealers, in 100 or 1000 lots, they do not get the variety for the same money that the collection of a thousand stamps offers them.

SOME STAMP BARGAINS



great deal of experience is required to place values, off hand, on collections brought in for the dealer to purchase, and beginners in the business usually pay either too much or too little for such collections. A dealer should be familiar with the

catalogue value of most of the cheaper stamps. A rough estimate of the catalogue value of the collection should be made, barring the continentals, and the dealer should then have a fixed scale of prices he is willing to pay for such stamps.

Of course, a dealer who does an extensive business cannot very well purchase all his stamps in collections, and the large wholesale lots offered by certain dealers are alone sufficient to keep him supplied with the average stamps found upon sheets and in cheap packets. Then there are parties who bring in lots of stamps, usually containing many duplicates, which have been found on old letters and are to be exchanged or sold to the party offering the best price. To give a few examples of "how the thing works" we will quote from a paper read by Mr. Rothfuchs giving his experiences as a dealer some time ago when he was located in Washington, D. C.

"In 1886 a boy of about 10 called at my store and asked me if I would trade some of my sets of foreign stamps for unused U. S. stamps. I asked him to let me see his traders. He handed me a small book in which were stuck a quantity of 18-56 to 1860 issue, all values excepting the 90c. The 1c to 12c were priced above, and 24c and 30c below face. I asked him where he got them. His reply was, from his father, and that he had more. I told the boy that I would like to buy the lot from his father. He thought I could.

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"I called on his father that evening and stated that I would like to buy the lot of stamps similar to the ones which he had given to his son. I was informed that these stamps were obsolete, and were not good for postage. I said that I did not want them for postage. The gentleman eyed me very sharp, as if to make sure of my sanity for wanting to buy a lot of stamps which were not good for postage. I explained to him that I was a dealer in postage stamps for collections, and that stamp collectors would buy them from me for their albums, to look at and to show to their friends.

"Before showing me the stamps, he explained how he happened to have them. He said that at the outbreak of the civil war he was postmaster in a southern city, and that in those days the U.S. stamps were of no use in the south, and that he took all stamps which were at his office home, and looked them up, and that he did not look at them until recently when he gave some to his children. He then started up stairs; when he returned he had a tin box large enough to hold full sheets without folding.

"I was very impatient, and it seemed to me that he would never unlock the box. After he opened it we counted the stamps, and, after adding up the face value, I said to him: How much will you take for the lot just as they are? Then came another suspense, for he expected me to state the price I was willing to pay. I told him that it depended upon his price whether I bought them or not. He then said, 'Are they worth face value to you? If so, you can have them; if that is too high, make me an offer.' I bought them at face, also those which his boy had left. And then, from somewhere a young Miss came to me in a rather bashful way, with a book in her hand, and said, 'Mister, won't you buy mine, too?' I bought

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them, and she was the lucky one in receiving a premium for her lot. When we parted we were all pleased with our trade; they with the money, and I with the finest lot of unused U. S. stamps I ever bought. This lot contained only 1856-60 issue, including full sheets of 1c, types 1 and 2 on same sheet; 5c, types 2 and 3 on same sheet; 3c, 10c and 12c, and broken sheets of the 24c, and a few 30c, besides a block of 29 5c brick red, type 1. The last block of these stamps I sold to a collector in Providence for \$80.00, which cost me 20 cents and is now priced \$400.00. I have sold many blocks of 1c, types 1 and 2 on same block, for 80c per block, which cost me 4c, and now priced \$60.00.

"These purchases I like much better than buying Mexico 1864, set of 4 for \$1.50 as I did in those days, and which I now offer for 10c a set; or even Italy 50 and 100 lira, which I bought in quantity for \$3.50 a pair, and which I am now offering for 10 cents a pair.

"One of my profitable purchases was a lot of 5,000 unused State department stamps, including all values from 1c to 90c for \$200.00, or 4c a piece. The party wanted to send this lot out of Washington because he thought I could not afford to pay such high prices for stamps which were so common in Washington.

"The finest lot of State department stamps which I ever saw was the lot which I bought in 1880. In this lot there were 25 full sheets of the \$10.00 and \$20.00, but no \$5.00 State. In the broken sheets I had 80 more of the \$20.00 than of the \$10.00 State. This transaction broke my cash box, and in order to raise money to repair it, I offered the \$20.00 stamps at a low price to dealers. The \$10.00 and \$20.00 I sold to collectors in pairs for \$32.00 a pair, and exchanged some with dealers for other desirable stamps. At that time I had a

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few \$5.00 State in stock. Those I would not sell unless in complete sets."

This dealer also tells the story of a lady who had "a few stamps to sell" and who was asked to bring in the entire lot.

"This lady and her friend brought in bundle after bundle," he goes on to say, "and by the time I had bought all which she had, all my boxes were filled with War department stamps, besides having a big lot piled in the corner of my store. There must have been over 500,000 stamps in that lot. Hardly had I finished this deal when a young man came in and told me that he had a lot of department stamps that he wished to sell, and that his father threatened to take him out of college if he did not get rid of his stamps, on account of giving more time to stamps than to his studies. I bought the lot which included some of each department and another large lot of War department. After I had all his adhesive stamps, he and another young man came in every morning for ten days with a large clothes basket full of used War department envelopes."

A beginner can hardly expect the phenomenal success attained by the author of this paper we have just quoted, neither is it likely that Mr. Rothfuchs met with this kind of success the first year or two that he started in business. He first had to build up a reputation before people knew of him, that he bought, exchanged and sold stamps and would pay cash for their duplicates. While there is no longer an opportunity to buy United States departments by the bushels and have them delivered at your door like so much cord wood, the chance to build up a successful stamp business, nevertheless, is to-day greater than it was 20 years ago.

SELLING STAMPS



It matters not where the location is: a successful mail-order stamp business can be carried on in a most out-of-the-way place as well as in the center of the great metropolis, provided a post office is somewhere within reach. It is not in the largest cities, in fact, where most of the big mail-order stamp firms are located, but in places where local trade amounts to little or nothing. In such places all energy is directed towards building up the mail-order branch of the business, which, without doubt, is the most profitable end of the business. Large rents for stores on business streets and other expenses incidental to city location help, generously to eat up the profits of the counter trade.

It takes time to wait on customers and clerk hire cuts into the profits where customers buy five cent's worth of stamps after spending an hour or two in making their selection. While a clerk is selling a dollar's worth of stamps over the counter, a smart mail-order clerk could fill a ten-dollar order. You see in the latter case the selecting has all been done before the order is sent in, while the local customer makes his selection in the store and sometimes dreams a couple of times over his order before actually giving it to the clerk, and is then likely to change his mind two or three times and finally select a

Heligoland reprint in place of an original two-cent Turkey.

Rent is an item which the out-of-town dealer is not much troubled over. One of the best features of the mail-order stamp business is that it can be carried on in comparatively small quarters when the business is not large, and expand when the business warrants it. A Parisian stamp dealer, who at one time controlled the largest stamp business across the water, was forced to move his establishment into a block of buildings large enough for a department store, but not any too large for the wholesale and retail branches of his enormous business extending all over Europe. The smallest business we have known was not conducted in a store, office, or suite of rooms, but in a closet just large enough for a small table and chair. When the proprietor turned around he usually knocked a box or two of stamps off the shelf and had the pleasure of picking them up and sorting them out before proceeding with the routine business of the day. Customers stood in the adjoining bed room or in the hall for they could not get into the store, even one at a time. From a small beginning that business has grown to great proportions and the closet would now scarcely be large enough to hold the envelopes used in a year to enclose the stamps which have been ordered by mail.

There is an obvious difference between buying and selling anything. If you have the cash, and buy in large wholesale lots, you will have no

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trouble in finding bargains. To dispose of your stock, however, at a reasonable profit is another problem. Goods will not sell themselves, however attractive they may be, without a little pushing. The "pushing" is so important a factor in trade that the man who can do the most of it will succeed in selling an article not quite so good as his neighbor's while his neighbor goes into bankruptcy. No matter how fine your stock of stamps is you must keep "pushing" to make a success of the business. The moment you stop pushing your business stops moving and it is all the more difficult to start it a-going again.

There are two popular methods of selling stamps in vogue to-day. One is to issue a price-list and sell direct to your customer. The other, and by far the more profitable, is to sell through local agents. The approval sheet business, as the latter is commonly called, has grown to be a great industry in this country, in the past twenty-five years, and hundreds of clerks are employed in putting up approval sheets and keeping accounts with thousands of agents, some houses employing from 500 to 1000 active agents the year around. The salaries of these agents are paid in commissions, the average rate being 50 per cent. of the amount of sales. Keeping the books for a stamp business carried on on a large scale calls for an entirely different system of book-keeping from the method popularly taught in the public schools. But about this we will speak later

Still another method of selling single stamps is by auction sale. We have mentioned in a

previous chapter the auction sale of wholesale lots of stamps. Single stamps are sold to collectors in precisely the same way, and some half a dozen houses make a specialty of this kind of business. As yet it has not become the popular method of selling stamps, and auctions do not pay unless the lots offered are exceptionally fine and the variety is large. Unless the sale is extensively advertised it will not pay for the cost of printing the catalogue and the expenses of the auctioneer.

We now have a word to say regarding cash sales by means of the price list. In these days of sharp competition and small profits on individual orders, it does not pay to conduct this branch of the business by mail unless it be undertaken in connection with the approval-sheet business. The two branches of the business must be carried on conjointly, and if they are, and are managed properly, there is a chance for a big profit to be derived from both. The first thing is to get out a price list of packets, sets, publications and possibly a few single stamps. As a rule, however, it does not pay to advertise single stamps in such a list. But a line of popular packets and sets is indispensable, and also of hinges and hinge paper, albums, catalogues pricing the stamps of all nations, and other publications pertaining to stamps. We shall have something to say later about an individual printing plant but will now offer a few suggestions to those about to order a supply of printed matter. First, insist on good printing, though the paper be cheap. Second, order at one printing as large a quantity as you can use, as 1000 of anything cost little more than 100. 3. Make your copy brief.

SYSTEM



NOTHER secret of success is order or system in the management of the stamp and book-keeping departments of the business. Unless there is a place for everything and everything kept in its place, mail orders cannot be filled with dispatch or profit. There is unnecessary handling and looking about for stock, and hunting for wrapping paper and twine, and other inconveniences to consume time, when everything is not in order.

There should be a spindle for filled orders and the date of filling the order should be stamped on each letter. All inquiries, complaints, etc., should be kept in an alphabetical letter file. There should be a pigeon hole in the desk for all letters which have been received without name or address. An alphabetical card catalogue of addresses of all customers should be kept, and each card dated when filed away. It takes a little extra time to get things started in a systematic way, but after the system gets into working order, it will save one lots of time and trouble. If a party complains of not receiving his order, the original letter can be found, if it has been received, and the date when the goods were sent is known at once. If an old customer forgets to send his address with an order, the card catalogue is consulted; and so on.

We have devised two practical methods of

keeping approval-sheet accounts; one where each sheet receives a number which remains upon the sheet during the life of that sheet; the other, where a new number is placed upon the sheet every time it is refilled and sent out to an agent. We will take up each method, commencing with the first.

The alphabetical card catalogue of names and addresses is used in both cases. Cards no larger than $2 \times 1\frac{3}{4}$ inches will do. Cheap manila tag stock is as good as anything, but every card must be of an even size and a shallow drawer or set of drawers made to just hold the cards. Now in the first method, another card catalogue of numbers is provided, a number for each sheet. If you have 200 sheets on hand, it will take just so many cards, arranged in numerical order, a number at the top of each card. Now suppose you send sheet No. 21 to Mr. X. Mr. X's name and address is written on card No. 21 and the date stamped there. Furthermore, a card is made out for the alphabetical index with Mr. X's name and address (the last name written first, in the upper left-hand corner) and No. 21 is written at the bottom of the card, so that two entries are made whenever Mr. X receives a consignment of stamps. If two sheets, Nos. 21 and 50 are sent him at the same time, his name is written on both numerical cards and on No. 21 a note is added that he also has sheet No. 50, and on 50, that he has 21. In the alphabetical index, furthermore, it is recorded that he has these two sheets.

When the sheets are returned it matters not

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whether X sends his address with the stamps or not, as each sheet is numbered. On card No. 21 draw a line through the name to show that the sheet is in. If No. 50 was not sent, by mistake, with sheet 21, the note on 21 will reveal the fact. In the alphabetical list it is also indicated that the sheets have been returned and new numbers added if more stamps were sent to the same agent. At stated intervals, usually once a month, the numerical cards are gone through and if any sheet is found to be overdue the agent holding that sheet is notified. This is the most perfect system, we believe, that is at the same time practical. There is no danger of the same agent receiving the same sheet twice and the amount of purchases, class of stamps sent, etc., can be noted on the number card. The value of the sheet must also be written on this card at the time the sheet is made up and numbered.

Our second method does away with the numerical card index, but every sheet is given a new number each time it is refilled and sent out. The only advantage this system has over the former is in the saving of time. It is not nearly as complete. Here is the way to go to work: Take a piece of stiff cardboard about four inches long by $2\frac{1}{2}$ wide. Punch two shingle nails through the card, one on each end and about $2\frac{1}{2}$ inches apart. Stand the nails head up, the cards serving as base for the spindle thus made for the reception of letters received from agents asking for sheets. Now Mr. X writes for a consignment of stamps. Sheet No. 1 is sent him and figure 1 is written at

the bottom of his letter. The letter is also dated and placed on the spindle, the nails going through the top of the letter. This leaves the name and address in the lower part of the letter free for examination, also the number which is crossed off when the empty sheet comes back. The value of the sheet and other remarks may also be written at the foot of the letter. Mr. Y next gets a sheet. This is numbered "2" and the same number put on his letter. Letter No. 2 is then placed on the spindle directly on top of No. 1, and so on until No. 99 is reached. This completes the first file which should be placed on a handy shelf for future reference and a new file started with No. 100, which should run to 199.

With this system the alphabetical card catalogue is used as mentioned above.

The stamp business, more particularly than many other lines of trade, is influenced by the season of the year. In the late winter and through the spring months we have what is called the "stamp season," when the business is at its best and dealers generally are kept busy attending to the wants of agents and filling up empty sheets. If one has the capital it is a good plan to lay in a stock of stamps during the summer months and make up as many approval sheets as possible for the winter's demand. If this cannot be done, a little system will enable one during the busy season to save time and confusion in filling sheets and we shall endeavor next to offer some suggestions along this line. What is needed in large offices more than anything else now lacking is a machine to hinge stamps rapidly to approval sheets, which will save time and labor and at the same time keep the agents in better humor while they are waiting for the next consignment. Who will be the Edison to invent such a machine for the sake of our glorious hobby?

HOW TO MAKE MONEY IN THE STAMP BUSINESS

The value of the dealer's stock of stamps or other philatelic supplies does not depend solely upon catalogue values, but to a great extent upon the condition the stamps are in for placing on the market and quick disposal. If an order calls for a certain packet or variety of stamps which must be put up singly by picking the stamps out of various drawers, albums, and odd accumulations, much time is spent in the operation, and time is money.

To save time, packets and sets must be put up in as large quantities as possible, say twenty to one hundred of a kind, according to the value of the stamps and probable demand for them. The same can be said of approval sheets. Some dealers put up thousands of sheets all alike, having various consignments or series which they send out in rotation to their hundreds of agents. The advantages of this plan is not only the great saving of time in preparing the sheets, but also the opportunity of sending an agent the greatest possible variety of stamps without duplicates. As soon as consignment I. has been returned, consignment II. is next sent to the same agent, and so on. Small sets of stamps or varieties from any special country are placed on separate, small sheets or cards and sent, when requested, with the regular consignments.

One of the chief difficulties of carrying on a large stamp business which must be entrusted to several clerks, is in finding persons educated enough in things philatelic to do the work properly. Here is where the regular consignment plan works best. In five minutes a green hand can be taught how to put up the sheets without making a single mistake. Suppose the sheet contains 30 stamps in rows of 5, 6 rows to the sheet.

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Thirty small pasteboard boxes, say 2 inches square and $1\frac{1}{2}$ inches deep, are arranged in a drawer in exactly the same order of the stamps on the sheet. These boxes hold the stamps which make up the consignment. Several hundred stamps, all of one kind, can be placed in a box. When larger quantities are required, larger boxes are used, and only two or three rows of boxes are kept in a drawer.

The drawers should not be too deep as it is easier to get at the stamps in a shallow drawer or tray. These trays are labelled and kept in the proper order, in a cabinet made for the purpose.

It is the custom with some dealers to send out two or three approval sheets of twenty-five or thirty stamps each to a single agent, while others use but one sheet holding fifty or sixty stamps. Where the regular-consignment plan is adopted, the large sheet of say 60 stamps is less confusing, and saves time in making entries on the books or cards.

After all the regular consignments have been sent out to an agent who continues to patronize the house, special sheets must be sent him which are put up with greater care and reference to the class of stamps he can handle to the best advantage. These stamps must first be sorted into countries, then priced by the catalogue, and then placed in boxes, all the 1c. stamps in a box by themselves, and the 2's in a box beside it, and so on, up to say 10c. or 25c. A 10c. box, a 12c, 15c., 18c., 20c. and 25c. box will do for the stamps priced from 10c. to 25c. All higher should be kept in envelopes or stock books.

The systematic way to price a large quantity of stamps is first to sort them out. The best method for

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doing this is to buy at a printer's warehouse a full-size lower case type drawer. The compartments made to hold the various letters are so arranged in the drawer that the vowels and consonants used the most are given the most room and placed in that part of the case nearest the operator. The one who sells you the case will letter the boxes so that you can become familiar with the arrangement. Then sort all the stamps from countries commencing with A into the a box, with B into the b box, and so on. When this is done, sort all the stamps in the a box into the proper countries, such as Austria, Azores, Argentine Republic, etc., and then look them up in the catalogue. Do the same with the stamps in the b box, and so on through the alphabet. Stamps not to be priced are thrown out on the first sort. There is usually a box for torn stamps, another for miscellaneous stamps for cheap packets, and another for continentals. In pricing large quantities of stamps this method will save at least half the time.

In hinging stamps on approval sheets a hinge already bent should be used and the entire hinge moistened at one time. The hinge should then be placed on the sheet, and say a row of ten put on before the stamps are laid on top of the hinges. This is much easier than first sticking the hinge to the stamp and afterwards the stamp to the sheet. When somebody invents a machine to do the hinging, the process of putting up approval sheets will be mechanical throughout. The sheets are now not only ruled by machinery but the pricing is also done upon a printing press. The hinges are machine-made usually, but the work of sticking the

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stamp to the hinge and the hinge to the sheet is necessarily a slow, tedious process, which increases considerably the expenses of the business.

Stamps prepared to sell when compared to those received in bulk from the wholesaler or foreign correspondent, are like the manufactured article in comparison with the raw material used in making the same. This sorting and resorting, soaking, counting, hinging, pricing, etc., take much time and must be reckoned in to the selling price of the stamp if the dealer wishes to make a fair profit out of his business. System is the lubricating oil that will keep the machinery of his establishment in perfect running order. Without it, the work will go on slowly and the little profit will be eaten up in time lost. As the orders come in faster when the season is on, the business becomes congested, the machinery will not work, and there are unnecessary delays. The summer and early fall is a good time to plan out the work for the coming season and to make a place for everything. Then see that everything is kept in its proper place and the work will go on more rapidly and the profits will be larger.



ADVERTISING



IN AS MUCH as the stamp business is largely carried on by mail, the show window and sign hanging over the door will not bring in much trade, and other means must be resorted to for accomplishing the same end. We know of but two practical ways of increasing the business through advertising (one a complement of the other) namely, magazine (or newspaper) advertising, and the issuing of price lists and other printed matter which must be sent out by mail to those answering your advertisements in the magazines or papers. We will speak of each separately.

Much money can be made, or as much lost, by the right or wrong kind of advertising, and the man who does not believe in advertising at all will surely make nothing in the stamp business, whether he loses anything or not.

The object of advertising is to win customers first, and sell your regular line of goods later. But some do not look at it this way, and because their advertisements in certain papers do not return them the cost of the space and the goods they advertise to sell, they say that advertising does not pay and give up advertising entirely, or at least to any extent to bring results. The moment they stop advertising, their business begins to slacken, and by and by it falls to pieces, and somebody else has made a failure of the stamp business. There isn't a month in the year but that this happens somewhere because somebody has failed to discover wherein lies the real success of advertising, namely, to gain customers with a view to holding them, and in the long run

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selling them goods enough to pay for the advertising and make a profit besides.

One of our large dealers once said to the writer, in reference to this subject, that he was willing to pay one dollar each for every good customer he could secure through advertising. On the other hand, every publisher now and then receives a letter from some advertiser, complaining on the ground that his advertisement of a certain set or packet of stamps in the last issue cost him so many dollars and that he did not sell enough packets to pay for the advertisement and the cost of the stamps. Perhaps the advertisement cost him two dollars and the stamps two dollars more, and he only sold 35 packets at ten cents each, losing, as he supposes, fifty cents on the transaction. His faith in advertising is shaken, and he decides to close out his business before another year. While it would be questioned whether the AVERAGE stamp customer would be worth fishing for with a dollar bait on the end of the line, he is worth getting at a sacrifice of a certain amount of cold cash, and this is the only way to reach him. Our complainant who writes the publisher for an extra inch or two of free advertising space because his four-dollar outlay cost him fifty cents more than he realized, forgets that the 35 new customers he has secured are worth to him vastly more than the fifty cents he imagines he has lost. If he mails a price list filled up with good things at a reasonable price (not necessarily a sacrifice price) to each of his 35 new customers, he is certain to get orders from some of them, and perhaps ten of them will accept an agency.

Competition has reached that point where the old-time business card stating that Messrs. So and So are in the stamp business, located on the corner of A and B street, where they will be glad

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to receive orders for stamps, is of little avail as a means of creating business. Ordinary sets of stamps offered at full catalogue value have little enticement to-day for the average collector who reads the stamp papers. The method adopted by the largest mail-order stamp houses seems to be to offer something at merely a slight advance over the actual cost for the purpose of enhancing trade, the object being merely to reach the person who has money in his pocket and the disposition to spend a part of it, at least, on stamps. Of course, every reply to an advertisement does not mean that one more steady customer has been added to the list, but each reply is worth an expenditure of so many cents, the cost varying with the business-bringing quality of the advertising medium employed.


Dealers should study to make their ads. attractive, their offers, enticing. Then, the right papers should be selected for carrying the advertisement. The leading juveniles and the stamp papers pay best. Most of the rest do not pay at all. Neither do ALL the magazines for the young and those purposely for collectors pay well. The dealer must find out for himself what papers pay him best to use. A single advertisement will not decide this question. Every paper worth trying at all should be tried faithfully. The papers which carry the most stamp advertising, as a rule, are the best ones to use. Papers whose advertising rates are the lowest are not necessarily the most economical to use. Neither are the papers with the highest rates sure to be the best "pullers." Make your selection with great care, your advertisement a winner, and then advertise, especially during the busy months of the year, relentlessly, for upon this depends largely your success.

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Replies to advertisements must be followed up by price lists or circulars pricing in full the goods you sell by mail. The more complete it is, the more orders you will receive. No one class of goods will suit all, so you must carry a stock large enough to please everybody. Bold, attractive type should be used for the display lines, but it is extravagant to spread your ads. over too much space, especially those describing the cheaper goods, for paper and printer's ink cost money, and the bulkier your price list, the larger your postage bill will be.

Many of the largest manufacturing houses do their own printing, to save expense, and a small printing plant is often a wise investment for a stamp dealer who has some mechanical skill and a little artistic taste. The variety and amount of printed matter used in conducting a mail-order stamp business is larger, in proportion to the business actually done, than that used in almost any other line of trade. Consequently, the printing bill is no small item of the monthly expense of the business. A part of this expense can be saved by purchasing a self-inking press at least large enough to print with one impression two pages of a small price list, a large font of newspaper type for the body of the price list, a few fonts of display type, the necessary tools, and type cases for holding the various letters. Usually a small second hand outfit good enough can be bought for about one-half the cost of new machinery and material. We mention this outfit not as a necessity, however, but as a money-saver to many.

In concluding, we will say, "Don't be discouraged because there are many already engaged in the business." The more dealers, the more collectors, and every advertisement tends to attract new collectors to this popular pursuit.



APPROVAL BOOKS



Superior to sheets. Just the things for your duplicates or to send out to

agents. Printed on fine paper and protected by stout, buff covers containing blanks for name, address, number and value of book. Each page holds 10 stamps. The book, which is made in three sizes, holding 40, 80 and 160 stamps, may be mailed in an ordinary envelope.

PRICE LIST OF BOOKS. ALL POST FREE.	PER 12 BOOKS	PER 100
No. 1. To hold 40 stamps.	\$0.10	\$0.60
No. 2. To hold 80 stamps.	.15	.90
No. 3. To hold 160 stamps.	.20	1.20

NOTE- These books are put up in packages, and we cannot sell less than 1 pkg. (12) of any size.



MIDGET Approval Sheets.

A great novelty. Nearly the size of a postal, printed on stiff, grayish paper, some ruled to hold ten stamps, others for one or more. All have blanks for number, address, value, etc. Just the things for sets or a single

rare specimen or several to fill a want list, etc.

SET OF 40 SHEETS, 10 CENTS, POST FREE.
We cannot break sets to sell a smaller number.



A POCKET MICROSCOPE

Is a necessity to every stamp collector, numismatist, mineralogist or botanist, and the best instrument is none too good. We have a fine, nickel-plated micro-

scope, with perfect lense, worth considerably more than we ask for it, which we will sell you for **ONLY 17 CENTS**, or give away to the person securing for us one yearly subscriber.

ANOTHER MICROSCOPE is one we sell together with compass, both being protected from dust and injury by sliding nickel-plated covers. This is an exceptionally fine instrument to be carried in the pocket. Our price, **ONLY 30 CENTS**, or given away to one getting a new yearly subscriber and sending 10c extra.

W.E.A.I.M., 446 Tremont St., Boston, Mass.