

Robb Report

HOLIDAY ISSUE

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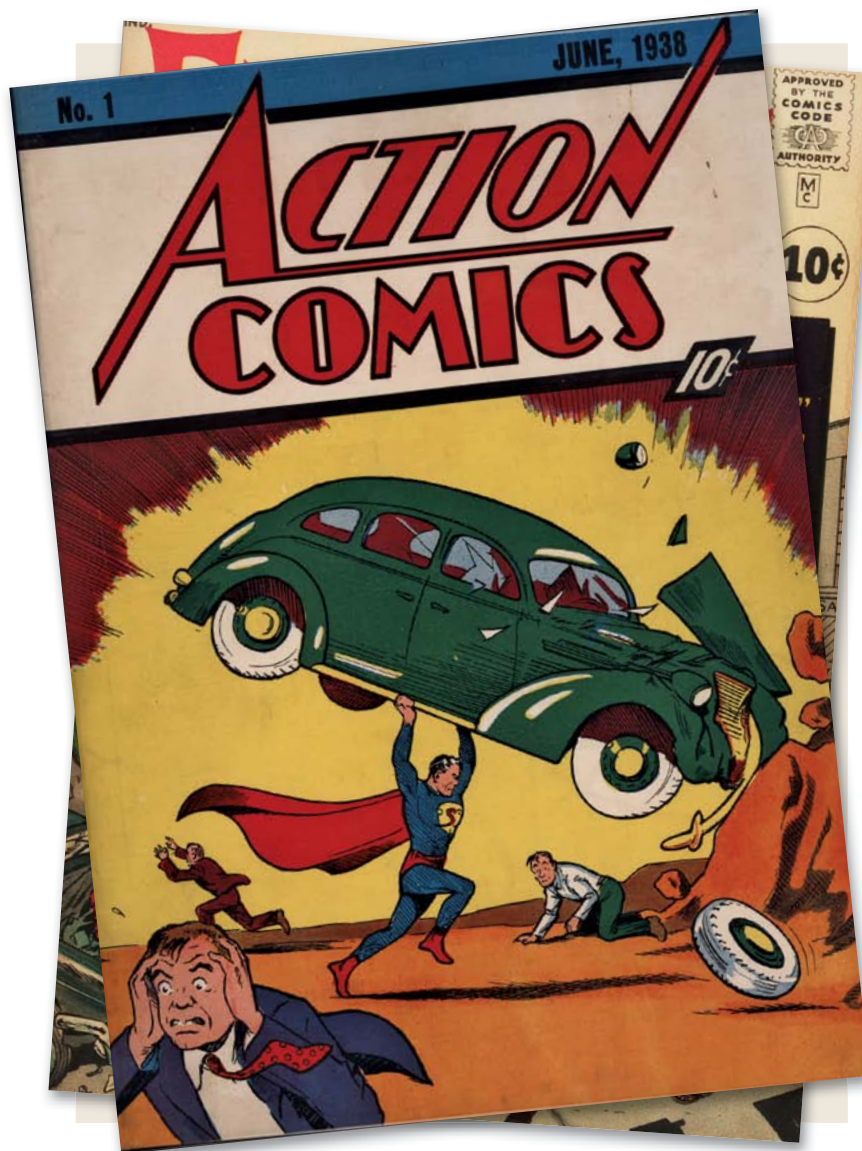
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Comics Relief

By removing the guesswork from comic-book buying, a grading service cleared the way for million-dollar sales.

BY SHEILA GIBSON STOODLEY

A LARGE NUMBER OF the 6,000 or so comic-book fans who attended the 2011 Boston Comic Con in April suited up for the event. Superman, Batman, Robin, Catwoman, and Captain America all were well represented in the crowd that had come to the city's Hynes Convention Center

to meet their favorite artists, buy new and vintage comic books and graphic novels, and enjoy the camaraderie of fellow fans.

The presence of these caped, masked, and stars-and-stripes-spangled characters notwithstanding, the most powerful figures on hand were the gentlemen dressed in business attire

Priced at 10 cents when new, a copy of the comic book in which Superman debuted sold for \$1.5 million in 2010.



and seated at a table on the perimeter of the hall. They work for Certified Guaranty Company (CGC), an 11-year-old Sarasota, Fla., firm that has brought transparency and order to the once-muddled collectible-comic-book market.

For a modest fee, CGC's experts will evaluate a comic book, checking to ensure that it is what the owner claims it to be and, most important, that it has not been altered, tweaked, or in any way restored. (Unrestored comic books are the most sought after and usually command the highest prices at auction.) CGC then assigns the comic book a numeric grade that represents its quality, seals it inside a clear acrylic holder with an interior made from Barex (a plastic suited to long-term archival storage), and returns it to its owner.

The employees manning the CGC table in Boston were there to accept comic books for grading at the

"CGC acting as a third-party grader gave buyers assurance that if they paid \$1 million plus, they were getting the real deal."

—MITCHELL MEHDY,
COMIC-BOOK COLLECTOR

headquarters in Florida. Since its launch in 2000, CGC has graded about 1.6 million comic books.

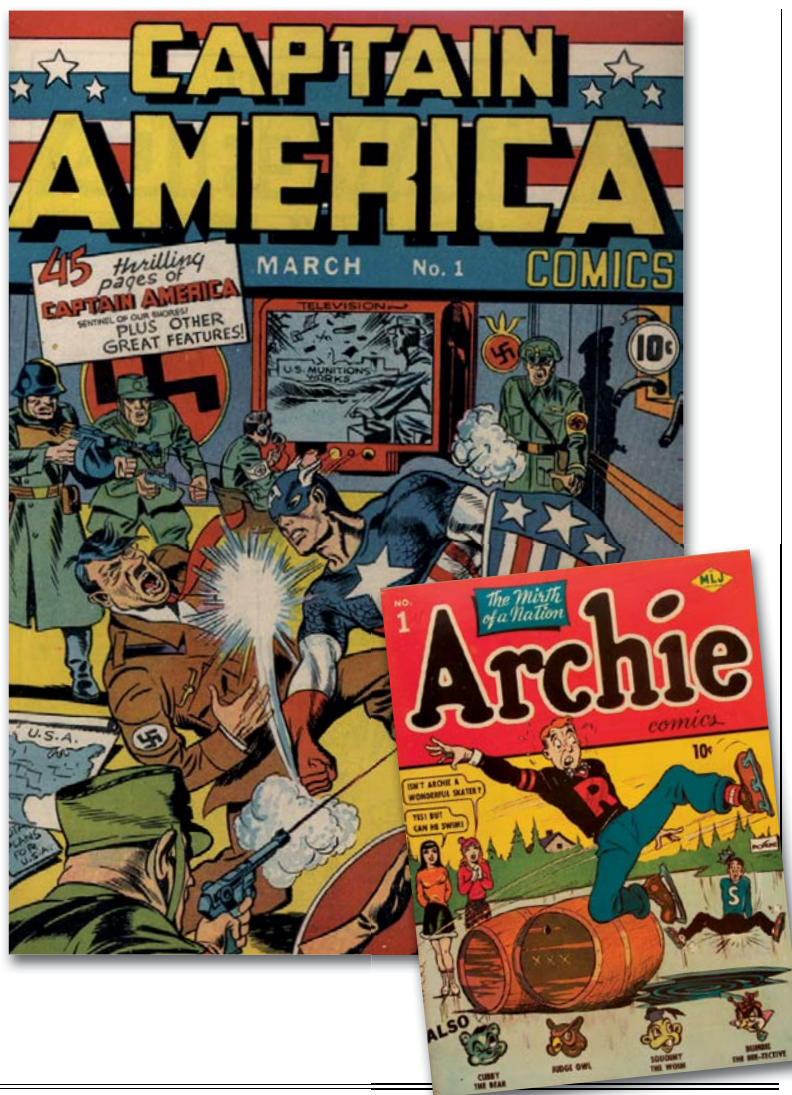
According to CGC vice president Paul Litch, the company's grading services initially were intended to bring order and stability to comic-book

sales conducted over the Internet. "eBay was almost like the Wild West," he says. "Before the net came along, you would see the book and you would haggle. Over the net, you saw a scan of the book, if you were lucky. Something you bought that was described as very fine might arrive ripped in two, and you would have no recourse. The hobby was screaming for certification."

CGC adopted the numeric scale used by the *Overstreet Comic Book Price Guide*, the comic-book collector's bible. The scale ranges from 0.5 (poor) to 10.0 (gem mint). CGC's rating scale is also similar to the one employed by the Numismatic Guaranty Corporation, a sibling company that has been grading collectible coins since 1987.

Collectors and dealers alike embraced CGC's services, as did Heritage Auctions, based in Dallas. "The advent of certification for comics was a big reason Heritage—a coin firm up to

Spider-Man joined Batman (and Superman) in the seven-figure club in February, when a copy of his debut issue sold for \$1.1 million.



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—PAUL LITCH, CGC VICE PRESIDENT

that point—decided to expand into comics 10 years ago,” says Barry Sandoval, director of operations for comics at Heritage. In the past two years, the auction house has been involved in two record-setting, headline-making sales of comic books graded by CGC.

THOUGH SUPERMAN can run faster than a speeding bullet and leap tall buildings in a single bound, no copy of his eponymous title or any other comic book broke the seven-figure barrier at auction for a long time. Then in early 2010, three comic books—two of them featuring Superman—sold for

\$1 million or more in the span of two months. First, in February, a copy of 1938’s *Action Comics* #1—the issue that featured the debut of Superman—fetched \$1 million during an online auction conducted by ComicConnect. Less than a week later, a copy of Batman’s debut issue, 1939’s *Detective Comics* #27, garnered a slightly higher price during a Heritage auction. The following month, a ComicConnect bidder put Superman back on top by paying \$1.5 million for a different copy of *Action Comics* #1. This past February, Spider-Man joined the seven-figure club when a ComicConnect bidder paid \$1.1 million for a copy of 1967’s *Amazing Fantasy* #15, the issue in which the web-slinger first appeared. Also in February, at a Heritage auction, a copy of the first Archie issue, *Archie Comics* #1 (from 1942), sold for \$167,300, establishing a record for a non-superhero comic book.

All of these record-setters had been evaluated and graded by CGC. “I do believe they would not have happened without CGC,” Litch says of the parade of million-dollar sales. “For these kinds of prices to have been realized, you need a third party looking over what the seller is selling and what the buyer is buying.”

Litch’s view might be biased, but others involved in comic-book collecting acknowledge that CGC deserves some credit for the surge in auction prices. “CGC helped make those sales reality,” says Mitchell Mehdy, a prominent San Diego collector who in 1973, at age 18, paid the then-outrageous sum of \$1,801.26 for a copy of *Action Comics* #1. “CGC acting as a third-party grader gave buyers assurance that if they paid \$1 million plus, they were getting the real deal. CGC is the best thing ever to happen in the comic-book world, a world which is taking its rightful place among fine-art collectibles. When *Action Comics* #1 breaks the \$10 million barrier by 2020, CGC will be there.”

Its value bolstered by the related movie, a copy of Captain America’s debut sold for \$343,000. Archie holds the non-superhero price record.

For quantitative though perhaps circumstantial evidence of CGC's influence on prices, consider the values of the million-dollar comics prior to the company's launch. In 1998, according to that year's Overstreet guide, a copy of *Action Comics* #1 in very fine condition was worth \$105,000; a *Detective Comics* #27 in the same condition was worth \$100,000; and an *Amazing Fantasy* #15 in near-mint condition commanded \$27,000. (An *Archie Comics* #1 in very fine condition peaked at \$5,730.)

The \$1 million copy of *Action Comics* #1 had a CGC grade of 8.0, and the \$1.5 million copy had an 8.5 grade. Only one higher grade (a 9.0 bestowed this fall) has been issued for this comic, of which only about 100 examples are believed extant. The *Detective Comics* #27 that sold for just over \$1 million had a CGC grade of 8.0—the highest ever given to an unrestored copy of Batman's debut.

The Superman and Batman debut issues were published in what collectors consider the Golden Age of comic books. The era began in 1938, with the release of *Action Comics* #1, and ended around 1950, when comic-book publishers drifted away from superhero titles. Along with Superman and Batman, Captain America and Wonder Woman arrived during this period. (The value of Wonder Woman's 1942



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CGC-graded book as
having been “slabbed,”
a vaguely derisive term
that evokes a morgue.*

debut, *All-Star Comics* #8, is relatively low—the record price is \$55,000 for a copy with a CGC rating of 7.5—in part because unlike her Golden Age

brothers, she does not appear on the cover of her first issue. Wonder Woman might also be the victim of gender bias.)

The \$1.1 million sale of a copy of Spider-Man's debut perhaps best demonstrates the sway of a CGC grade. The early Spider-Man comics belong to the Silver Age, which began in the mid-1950s, concluded about 1970, and ushered in the X-Men, the Fantastic Four, the Incredible Hulk, and Iron Man. Copies of *Amazing Fantasy* #15 are not nearly as rare as the first Superman and Batman issues; at least 1,500 copies exist, and there might be as many as 5,000 still around. But the record-setting copy had a CGC grade of 9.6—the highest ever given to that issue. “It’s that valuable because it’s the only one,” says ComicConnect CEO Stephen Fishler, who developed the 10-point scale used by the Overstreet guide and later adopted by CGC. “If another 9.6 *Amazing Fantasy* #15 came up for sale, I’m not sure it would hit that price mark.”

The *Archie Comics* #1 sold by Heritage also held the highest CGC grade for a copy of that issue, an 8.5. The next-highest CGC grade given to an unrestored copy is 7.0. George Pantela, founder of GPA Analysis for CGC Comics—a website that tracks and analyzes sales of certified comic

THE DARK AGE

IF THE GOLDEN AGE of comics ended around 1950, and the Silver Age began in the mid-'50s, then what happened, one might ask, in the intervening years? When sales of superhero titles slumped, publishers pushed other comic-book genres. The most notorious of these were horror comics, which stoked a moral panic that prompted public burnings and municipal bans of comic books and led to the creation in 1954 of the Comics Code Authority, a de facto censor for the U.S. comic-book industry.

Horror comics are scarce, having been vigorously exorcized from children's bedrooms by scandalized parents, but even so, their auction-record prices do not come close to those for superhero comics from the Golden or Silver Ages. The current champion is a copy of 1950's *Vault of Horror* #12, graded 9.2 by CGC and sold by Heritage Auctions in 2002 for \$29,900.

Barry Sandoval, director of operations for comics at Heritage, attributes the relatively modest performance of horror comics to “the lack of the nostalgia factor. Unless you’re over 70, you didn’t read gruesome horror comics when they were coming out. You discovered them after the fact through the collecting community. Whereas I would say almost every American man between the ages of about 20 and 60 read at least one Spider-Man comic growing up.”

As for more contemporary superhero comics, in general they have yet to yield high prices at auction. Heritage recently sold a CGC 9.8-graded copy of *Watchmen* #1 for only \$84.

“All the collectible copies are from an era when, in the minds of 90 percent of the population, comic books were trash that should be thrown away,” says Sandoval. He offers a paradoxical rule of thumb: “If it says ‘collector’s item’ on the cover, it’s not.” —G.S.



Certified Guaranty Company (CGC) is an independent member of the Certified Collectibles Group of companies.

The Certified Collectibles Group (CCG) is an umbrella organization consisting of Numismatic Guaranty Corporation of America (NGC), the leading grading service in rare coins; Paper Money Guaranty (PMG), the leading currency certification service; Numismatic Conservation Services (NCS), the leading numismatic conservation service; and CGC, the first independent and impartial third party grading service in comics.

The CCG family of companies has a proven and respected commitment to integrity, accuracy, consistency and impartiality in grading collectibles that has made them leaders in their respective fields.

CGC is committed to enhancing and promoting the collecting experience. Collectors and dealers alike consider CGC the market standard for comic book, magazine, photograph and lobby card grading. Our employees are not allowed to engage in the commercial buying and selling of comics. This allows us to remain completely objective, bringing the highest level of expertise, impartiality and consistency to every collectible, every day.

CGC's senior graders, as well as being some of the most trusted buyers and sellers in our hobby, graded for top auction houses such as Sotheby's and Christie's before CGC opened its doors in 2000. Our senior graders are also grading advisors to The Overstreet Price Guide. Together, our professional CGC grading and restoration detection team has over 200 combined years' experience in the comic book hobby.

When your comics are graded by CGC, you can trust that the highest level of expertise, impartiality and consistency will be applied to every comic.

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books—says that the record-setting Archie price resulted from the million-dollar bids that collectors recently had made on Superman, Batman, and Spider-Man comics. “Although Archie is in a whole other, non-superhero genre, it is fair to say that the market for high-end books does move in tandem as a whole,” says Pantela. “The industry was watching, and those who were bidding would have been doing so within the context of recently impressive high-end Golden Age comic-book sales.”

CGC maintains a census—a database of every comic book it has ever graded—and offers free access to it. The census enables owners to see where their comic books rank against other copies of that issue. Indeed, in the lot notes for most high-end comic books, Heritage and ComicConnect include the CGC grade and mention how many other copies of the same issue have a higher grade. This readily available information could induce reluctant sellers to put their prized possessions on the auction block or convince collectors to spend more than \$1 million on items that sold for 10 cents when new.

VALUABLE THOUGH A CGC grade can be, some collectors choose not to have the company evaluate their comics. Of the 100-odd copies of *Action Comics #1* believed to exist, only 51 have been graded by CGC. The most pointed objection to CGC's service concerns the company's practice of sealing the issues inside transparent holders. A sealed book is the equivalent of what car collectors call a trailer queen: It can only be admired, not enjoyed. Opening the holder and reading the comic book will nullify the grade. CGC calls its sealing process “encapsulation”; others describe a CGC-graded book as having been “slabbed,” a vaguely derisive term that evokes a morgue.

ComicConnect's Fishler says that while CGC grades are critical, they are not the sole driver of sales. Movies featuring superheroes can add value to the comic books from which they sprang, provided those movies do well at the box office. In August, about a month after the release of the film *Captain America: The First Avenger*,

a copy of *Captain America Comics #1*, published in 1941, fetched a record \$343,000 in a ComicConnect sale. The comic book had a CGC grade of 9.2. A copy of *Captain America Comics #1* with an 8.5 grade sold for \$95,600 in 2009. “Obviously the grade had a lot to do with it, but it's really perfect timing,” Fishler says. “It's a Golden Age book, and it's been in demand for over a decade. Combine that with the grade, and the movie coming out at this time, and it created that price. Five years ago, that book maybe would have brought half of that.”

Decades from now, *Captain America Comics #1* and those record-setting Superman, Batman, and Spider-Man issues might not be as valuable as they

Movies featuring superheroes can add value to the comic books from which they sprang, provided those movies do well at the box office.

presently are. The next generation of comic-book collectors might not recognize their worth—if there even is a next generation of comic-book collectors. Though events such as the Boston Comic Con are more popular than ever (this year's attendance was double that of 2009), young fans today are more likely to encounter their favorite superheroes in movies, video games, or digital version of comic books instead of the traditional format. “It's all about the kid of today,” says Sandoval, “and asking what he's going to think of fondly when he's 45 and has a salary.” ☐

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