

Information on Third Issue U. S. Fractional Currency

By M. R. Friedberg

Fractional Currency of the United States by D. W. Valentine leaves open the question of whether third issue red backs preceded or followed the issuance of the green backs, and subsequent authors have avoided this question.

Clarification is contained in a recently discovered letter (Figure 1) dated March 12, 1865, in Washington, D. C., from Chas. A. Jewett on office of the Comptroller of the Currency stationery to "Friend" Withington. In his letter, Jewett states that the *later* issues of the 50c note have been green backs! This letter doesn't help in determining whether the "Justice" or "Spinner" 50c third issue notes were issued first, but it does specify that the red backs preceded the green backs.

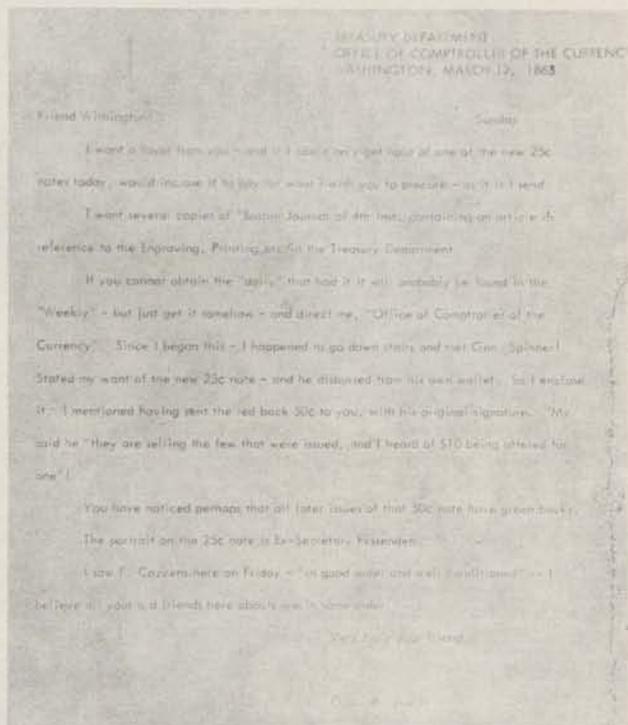
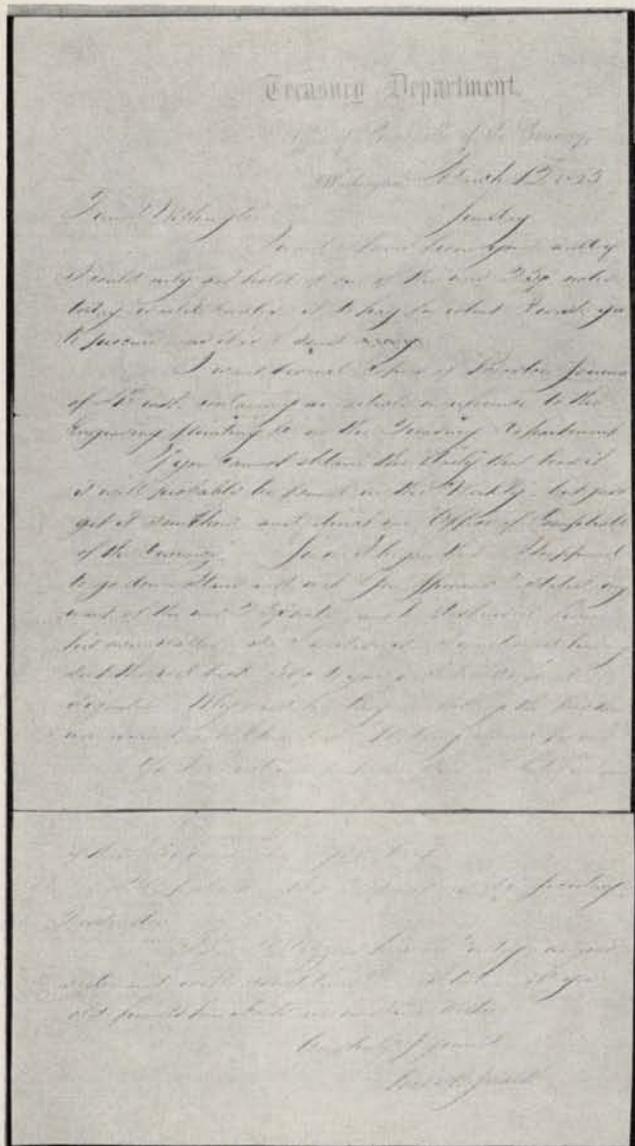


Figure 1.

The Bureau of Engraving and Printing's October 1, 1864 Engraved Plate Inventory (Ex Doc #50, 38th Cong. 2nd Session) lists both obverse and reverse for the 50c third issue but lists only reverses for 3c and 25c notes. In addition, on July 31, 1867, Clarke testified (in Doc 273, 40th Cong. 3rd Session) that the third issue started with an experimental printing November 14, 1864, and Bureau production started January 14, 1865, with first delivery to the Treasurer of February 15, 1865. The experimental printing was 255 good sheets of 12 impressions of the 50c for a total value of \$1,530. In another document (Ex Doc #64 of the 38th Cong. 2nd Session) Clarke wrote on December 8, 1864, "Sufficient samples of the national paper have been furnished to me by the agent of Dr. Gwynn to enable me to print 100 sheets on 50c fractional currency, 12 notes on a sheet and delivered them to the Treasurer. These the Treasurer has issued and they have been some days in circulation. . . The 100 sheets were printed dry. . ." These sheets had to be third issue since the October 1, 1864 inventory did not show any 50c note of the second issue plates having 12 notes per plate. It is apparent that Clarke is referring to the same experimental printings in both cases, and we therefore can only say that the experimental printing is either 1,200 notes at a value of \$600 or 3,060 notes with a value of \$1,530. These notes are apparently the red reverse Liberty notes without

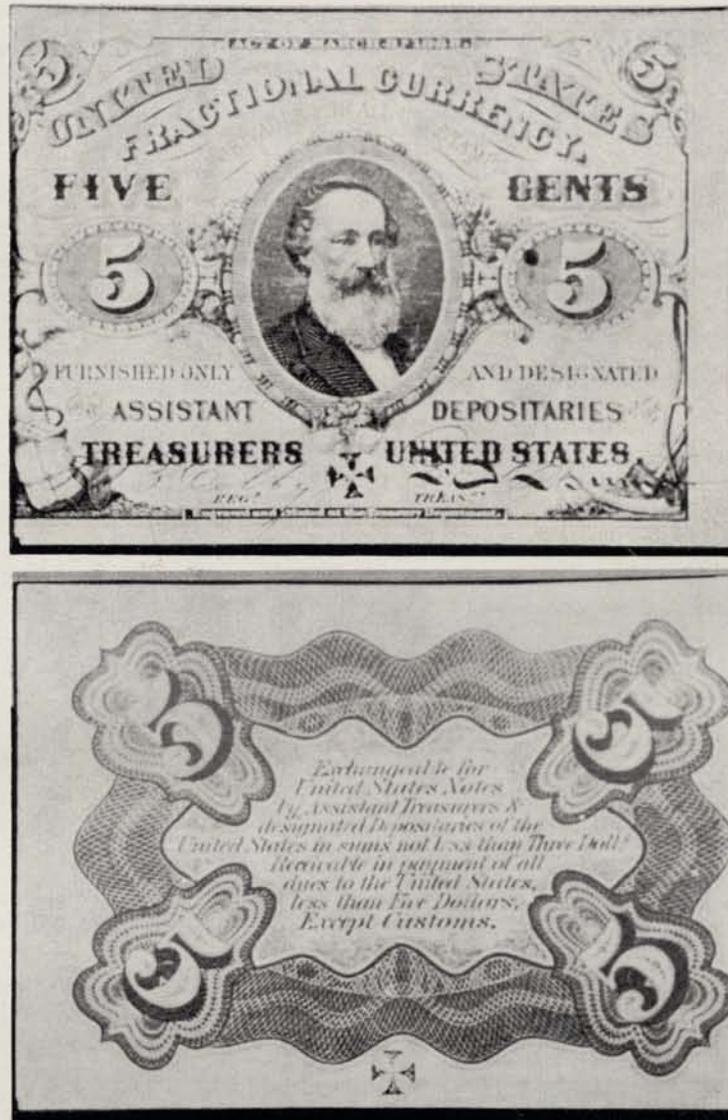


Figure 2.

letters (V48K, F1355), thus indicating that "Justice" notes preceded the "Spinner" 50c notes.

In addition, the Jewett letter quotes Treasurer Spinner in regard to a 50c red back having his signature as saying, "They are selling the few that were issued. . ." This indication that the notes with autographed signatures are extremely rare is logical in that it seems inconceivable that Spinner could possibly have hand-signed large quantities of these notes. This postulation that hand-signed notes are rare obviously also applies to all autographed notes, specimens and proofs of all the values. Further the letter points out that the 25c Fessenden note was issued shortly before the date of the letter and thus obviously after the release of both red and green back 50c notes.

Several additional third issue items of interest have appeared. I recently inspected a copy of the 5c Clark (Figure 2) having black printing on .0022" thick yellow bond-type paper and which is imprinted on both obverse and reverse with a Maltese Cross. The Maltese Cross is just under the portrait and measures $3/16$ " across the

arms and in a "rubber-stamp" violet ink. An explanation from an unknown previous owner states, "Have never heard of but two of this kind . . . never before listed. Has the Government specimen a cross under Clark." In addition to this note, I have photographed a 25c Fessenden (Figure 3) printed on pink fibre-type paper bearing this same violet Maltese Cross but located adjacent to and on the left of the portrait. Since neither the yellow paper of the 5c note or the pink paper of the 25c note were regularly issued, we can assume that the Maltese Cross is an experimental mark of the Bureau.

Investigation of a group of the 10c note of the third issue shows that some counterfeits can be detected by the thickness of the paper stock. The official issues I have seen vary from .0024" to .0028" thick but the only counterfeit I have been able to check was .0020" thick, and its illegitimate origin was further substantiated by minor deviations from normal engraving.

In the third issue 15c Grant and Sherman Essays, I have inspected a uniface vertical strip (Figure 4) of three obverse notes (Valentine #41) printed as wide



Figure 3.

margin proofs on India paper and showing 17mm. vertical spacing between notes. This strip proves that the proofs were printed from plates containing multiple impressions and were not from individual proof dies. The so-called engravers' lines are actually cutting guides between notes. The particular strip inspected showed Plate #3 in the upper right corner of the lower of the three notes.



Figure 4.

Document #273 also sheds some light on the confusing subject of actual issue dates of the second and third issues in that Clarke testified that the third issue started with the experimental printing on November 14, 1864, and production started in the Bureau on January 14, 1865, with first delivery to the Treasurer on February 15, 1865. D. W. Valentine in his book states that the issue started December 5, 1865, which is apparently the date that the Treasurer issued the experimental notes. We can only assume that Valentine had access to Treasurer's office records which are no longer available.

In the same report (#273) both Clarke and the Senate Investigating Committee present data which indicates that the actual printing of the second issue stopped with deliveries to the Treasurer on March 1, 1865, but a delivery of second issue mutilated notes for burning was made on March 29, 1865, and that a further lot consisting of \$5,970 worth of second issue 50c notes was delivered on October 9, 1866, when they were found while taking inventory of the printing Bureau. Valentine indicates that the second issue continued to April 16, 1869, but this could only have been issuance from the Treasurer's office, whereas production actually closed with the March 1, 1865 delivery to the Treasurer by the Bureau.

It is logical to assume that an overlap of two weeks (February 15 to March 1) could exist between the two issues but it hardly seems reasonable to permit a four-year overlap and further lends credence to my belief that date errors also exist for the start and finish of the fourth issue.

In addition the Bureau data on production of third issue specimens has been discovered in the above referenced Document #273. The following data is compiled from that source:

UNIFACE SPECIMENS PRINTED OF THIRD ISSUE AS OF OCTOBER 31, 1867

Value	Impressions	Per sheet	Total No. of specimens	Total Value
3c	2100	10	21,000	315.00
5c	3150	10	31,500	787.50
10c	5425	10	54,250	2,712.50
15c	9016 sets		18,032	1,352.40
25c	3225	8	25,800	3,225.00
50c	8916	5	44,580	11,145.00

Early Paper Money of America

(Continued from Page 42.)

From the earliest emission in Massachusetts, in 1690, on through all colonial issues of each colony, to the final fractional issues of the Bank of North America in 1789, each issue is illustrated, numbering some 637. This in itself is an extremely difficult task, due to the extreme rarity of notes of a number of the early 18th century issues, some of which are unique; of others, only one or two specimens are known to exist. Illustrations are also included of all denominations of the Continental Congress issues, showing the various allegorical designs and mottoes used.

Data on the signers of all issues is included, with special emphasis in a separate section on those men who were signers of the Declaration of Independence or the Constitution or members of Congress, or who made significant contributions to our country's early history. Their signatures on specific denominations and issues provide a guide for those seeking such autographs and information. Another excellent feature of this fine work is the inclusion of amounts of each denomination printed where such information is available; in some instances it has been lost. Where certain denominations of notes were counterfeited, this important aspect has not been neglected, and appropriate data is included where counterfeits are known to occur.

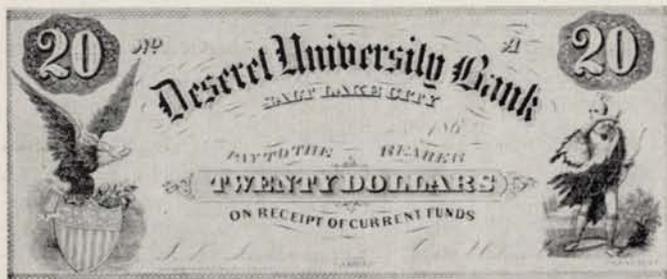
The introduction is complete and instructive, for therein is set forth a clear-cut description of the early "Paper Money Experiment," development and growth of the use of paper as a circulating medium of exchange, the basis upon which the notes were issued in the matter of security, interest payments, ultimate redemption, depreciation of the notes' value as it affected the colonists in their daily transactions, and English restrictions and

regulations on the issuance of paper money in the colonies as dictated by the British mercantile policy. The continuing pressures to increase the amounts of paper in circulation created by the mounting costs of the Revolutionary War, together with the increase in trade and commerce, and a steady influx of settlers, are all clearly related and explained. Methods of redemption and destruction of the redeemed bills, facilities for printing and engraving of the notes, manufacturing processes for the papers used, note designs, numbering, and explanations of the various mottoes and emblems are all carefully and accurately described.

At the end of each chapter, Mr. Newman has included a complete bibliography of his source material as a guide for those interested in further detailed studies of any particular colony. The jacket design is composed of photographs of a number of interesting notes and is artistically executed. Appendices showing the structure of the note sheets with plate letter positions are also valuable. Detailed descriptions of many counterfeit notes are given, along with tables of depreciation of values in various colonies from 1740 through 1783. A separate table shows the devaluation as it occurred during the war years of 1777 to 1781.

Values for notes generally obtainable, in various conditions, was compiled by B. M. Douglas and R. Picker, and these are also included, thus providing an excellent guide to present-day prices for collectors, gathered from a large number of private and auction sales throughout the country. There is no doubt that Mr. Newman's work will stand as the final word in the previously little-explored field of colonial paper money, covering every facet for the historian and collector for many years to come.

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