

May 2008 "COLLECTING WITH JEFF"
by **JEFF FIGLER**

QUESTION #1: I have an LP record entitled 1967 Cardinals that goes through highlights of the Cardinal season including the World Series. What would it be worth? Brad B., St. Louis, MO.

ANSWER: It is worth approximately \$75-100.

QUESTION #2: I have a late 60's baseball signed by three Cardinals including Roger Maris. Would you happen to know its worth? Dorothy W., St. Louis, MO.

ANSWER: If it is an official Major League baseball, and if it is in good condition, it is worth approximately \$300.

TRIVIA ANSWERS FOR THE QUESTIONS FROM THE APRIL NEWSLETTER:

1. Who was the first NBA player to score 20,000 points in their career?

Bob Pettit.

2. Who was the first NFL quarterback to throw for more than 4,000 yards in season?

Who holds the NFL record for most consecutive 4,000 yard seasons?

Peyton Manning.

TRIVIA:

1. Which major league team has thrown the most no-hitters? Which team is second?
2. Who is the only athlete to play in a major league baseball game and an NFL game on the same day? He is also the only man to play in both a Super Bowl and a World Series?

I hope you find the next few articles interesting.

"YOU SHOULD HAVE INSURANCE TO PROTECT YOUR COLLECTIONS"

You will probably want to give considerable attention to insuring your collection. Of course, your decision to insure may depend on the value of the collection and the cost of the insurance. Keep in mind that the value of collectibles in general has increased tremendously, and you may be quite surprised at what your items are worth. Naturally, insurance will only allow you to recoup some money. It does not necessarily follow that you can replace the lost or stolen items. One uniqueness about collectibles is that

you generally cannot go to a local store or call a dealer and expect to buy another copy of the item that is now gone.

My advice is that you should be safe, not sorry. If you are considering insurance, you should think about a number of things. Start with your homeowners policy. I have seen some homeowner policies that insure collectibles, and others that do not. It really depends on the type of items. More traditional household collectibles such as fine art, may be covered, even though you may want to have a special fine arts insurance policy. Sports collectibles, among other types of items, are not your usual household items, and likely are not going to be covered in a homeowners policy.

But if indeed your items are covered by your homeowners policy, be aware of a few things. First, there are usually limits on each item lost, and chances are that the limit on each loss will not cover the value of the lost items. Likewise, your claim cannot exceed the amount of your coverage. For example, if your losses actually are \$200,000 but your coverage is \$125,000, the maximum you can recover is \$125,000. Also, look carefully to see what type of hazards your policy covers. For example, sometimes collectibles are ruined due to floods, but it is possible your policy may not cover flood damage. In that situation you would be in an unenviable position of trying to persuade the insurance company to make you an exception.

Many collectors will obtain special insurance for their items. These particular policies may be through the insurance carrier that insures your house, or from a different insurance carrier altogether.

For example, most collectors of fine art will have a special policy. Even though a homeowners policy may include fine art, most policies will not cover the artwork if it is on loan to a gallery or a museum or even in transit. With artwork, the most common cause of loss is fire, smoke or water damage, or breakage -- not theft. Special collectible insurance policies will cover such situations, whereas standard homeowner policies may not. Surprisingly, special insurance, whether it be for fine art, sports items, pop or presidential memorabilia, will probably be less expensive, and more comprehensive, than a standard homeowners policy. Of course, no matter what type of policy you have, any safeguard you have, such as an alarm system, will lower your cost.

As a collector, it is your responsibility to keep informed of the value of your items, and adjust your coverage accordingly. The cost of special insurance may be more affordable than you think. Although insurance premium costs can surely run the spectrum, you may be looking from as low as \$1 for every \$1,000 of coverage, up to five or ten times that amount. One dollar for every \$1000 of coverage would mean that \$1,000,000 of coverage could cost \$1000.

Keep in mind that there are only a limited number of insurance companies specializing in collectibles.

"BE SURE TO CHECK SALE CONDITIONS AND TERMS"

Before you start to bid in an auction you should absolutely read the "conditions" and "terms" of the sale. For all practical purposes, you are bound by these terms when you bid. By bidding, you are

accepting the terms outlined. It can be considered a contract. So just don't take things for granted and make assumptions, as you could be in for some unpleasant surprises. Likewise, do not take for granted that all terms and conditions of all of the auction houses are the same. They are not. Just as an example, there might be a 10% buyers premium in one auction and a 15% buyers premium in another. The auction houses have usually conducted a number of auctions in the past, and believe me they are going to use terms that are favorable to them.

As mentioned, one term that is almost universal is that there are no returns of items. Some companies will even go so far as to say "no exceptions" to that term. But usually if an item is misrepresented, or if there is a major error on the part of the catalog company, then an item can be returned. On a personal note, I once was the high bidder on a game-used jersey that the catalog description said was autographed. When I received the jersey I looked everywhere for the signature but did not see an autograph. I called up the company, a major auction house for that matter, who could hardly believe what I said. After I returned the jersey, they profusely apologized, and offered me my money back or I could wait about about a month to get the player to sign the jersey. I waited for the player to sign it, and I still have the jersey in my collection. But that story is a real exception, as catalog companies are usually extremely careful when they represent an item. Another term that is usually outlined is how you are to pay, and when payment is expected. In reality, companies want to get paid as soon as possible for a couple of reasons. First, they feel that they would rather have the money to use, and they do not want to keep either calling you or sending you reminders that you owe the money. But in addition, companies want to get paid quickly so that they can then pay their consignors. A happy consignor will go back to that auction house, and a consignor is looking for the most money as soon as possible. Auction companies will sometimes say that they pay their consignors within, let's say two weeks after the auction. However, that is usually with the stipulation that they are paid first.

Another note about payment. Sometimes if you paid by credit card you are charged a bit more to offset the charge that the auction house needs to pay the bank. And in case you are wandering, a buyer's premium is common these days. There are some companies that do not charge that premium, but not many. The justification by the auction house is that it is very expensive to publish a catalog and advertise an auction. I guess it is just another sign of the times.