

TRADE TOKEN VALUES AND PRICES

A PERSONAL PERSPECTIVE

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Values of trade tokens are a constant source of discussion among token collectors. Values and prices are subjective to say the least, and collectors often get in heated arguments over values, and terrible head butting matches over prices. After some consideration of the subject, I have reached some conclusions, which may be over-simplified, but they are just one man's views.

Prices or values can be influenced by a number of factors. Here are the four primary factors I see: conditions of the buyer, conditions of the seller, the token itself, and the sale type. Let us look at each one separately.

THE BUYER FACTORS

1. desire of the buyer for the token (motivation)
2. token related knowledge of the buyer (selling prices, number of examples, history, etc.)
3. funds available to the buyer for purchase of tokens
4. number of buyers desiring the token

THE SELLER FACTORS

1. desire to sell the token (motivation)
2. token related knowledge of the seller

THE TOKEN

1. rarity of the token (the number available)
2. desirability of the token (includes historical significance, if the token is a saloon, post trader, Brunswick Balke tokens, materials such as vulcanite, increase value, etc....desirability also means how valuable the token is to other collectors, as most token collectors recognize the value of "rare" tokens as trading material)
3. condition of the token
4. provenance of the token (including if it was a plate token in any publication)

THE SALE FACTORS

1. type of sale, i.e. either sold by mail auction, EBAY, face to face sale, absolute auction, private treaty, floor auction etc.
2. overhead of sale including commissions, fees, buyer's premium, etc.
3. number of buyers who desire token that are participating in the sale

Any one of the above factors can cause the price of a particular token to rise or fall on a particular day. For instance, let us assume that a seller, who is anxious to sell a certain token which he knows similar tokens have been seen for sale at the price of \$100. Knowing that the tokens were for sale at that price, and not SOLD, he places his token for auction on EBAY for a low opening bid of \$50, half of what he thinks it is worth. A buyer who has all the qualities listed above, except he is lacking in his knowledge of tokens (i.e. the tokens for sale at \$100 which the seller has seen), waits until the last minute to bid, and bids in at \$200 for the token, not knowing a second EBAY buyer has done almost the same, but the second buyer also lacked the knowledge and bid \$210. Then you have the condition where a token that on a normal day, might sell for \$100 sells for over \$200, not because it was the norm, but because it was worth that much, that day to that buyer. Tokens, and most other things, are worth what someone will pay for them.

"BOOK PRICES"

Book prices, are hotly discussed among token collectors also. Usually the person responsible for writing the book makes the final decision as to include prices for tokens, or a rarity scale, or nothing at all. I have found book prices on trade tokens to be a misleading bane. On some types of tokens, such as transit tokens, where there only a certain number of types of tokens known and most all are well defined, book prices are fine, although they are rarely adhered to. Trade tokens on the other hand, are not cataloged as well as transit tokens, new trade

tokens from new towns and merchants turn up almost every day, and it would be impossible to catalog them all, and know the rarity and desirability of them all.

EBAY SALES

EBAY sales of almost any item, when successful, seem to work best when a person is selling an item with a low starting price. This seems mainly to be true on higher priced items. I believe the reason is that the really dedicated collectors who scour EBAY for trade tokens every week (or some every day) has many of the common items, which are often listed on EBAY. They want to "cherry pick" the better items from the large token selection, and often bidding wars erupt over a single token. Another oddity of EBAY, is that some bidders, especially serious bidders who have considerable assets to spend and large collections to start with, deploy the "bushwhacker" tactics. In EBAY lingo, a "sniper" who is a person who bids on a token, generally is outbid, and bids a large bid the last few seconds. But a "bushwhacker" is a person who does not bid at all, until the last 10 seconds or so, of the auction. Generally this is done with special software, which electronically does the split second work of bidding those last 10 to 15 seconds. The thinking of the typical "bushwhacker" seems to be that if the other advanced token collectors don't know he "needs" this token, then they are less likely to "bid it up" causing him/her to pay more in the end. Sometimes this works, sometimes it does not.

THE EBAY TRAP

The most often seen EBAY "trap" that befalls sniper bidders and bushwhacker bidders on tokens, is that two or three of them will bid on the same token the last 15 seconds or so, thus driving up the price on some tokens by as much as 600% in the last minute of bidding. Of course, this is fantastic for the lucky seller of the desired token! Many people extrapolate that a second token like the first, will sell for the same amount, that the three snipers bid on, not realizing that the "real" price on a second token, would really bring would be closer to the bid increment above the third highest bid, not the second highest! Indeed, many bidders on EBAY in the exonomia heading seem to go into a "feeding frenzy" on some of the more desired tokens, the same phenomena has been observed in other headings to a similar extent.

THE ADVANTAGES OF EBAY TOKEN SELLING

EBAY offers the advantage of allowing the pacing of listing items for sale. A person can list one item, on the weekend (for 25 cents if less than \$9.99) and not list anymore if he so desires. So the number of items listed, can be as few or as

many as desired. Since listing prices start at 25 cents, the cost is nominal to say the least. All that is required, is a computer and internet access. If photos are desired, a [digital camera](#) or scanner is fine, and an "FTP" program is used to upload photographs to a hosting computer, which is usually the user's ISP webspace. A good knowledge of token pricing is helpful in starting to list tokens, and when in doubt on pricing, price it low if you really want to sell it! One of the really "slick" things about EBAY selling, in my view, is this: let's say, you have a trade token, that is worth (in your well-versed opinion) at LEAST \$225. And let's say that you have offered it to one or two advanced collectors, who have hesitated buying the token, for one reason or another (lack of funds at the moment, etc). Let's also say that you know these collectors are bidding actively on EBAY, along with some other collectors who are interested in the same type of token you have. You decide to list the token on EBAY with a starting bid of \$180 (80% of the 225). You can then email the collectors who have been interested in that token, and advise them of the token. They then are put in the position of either bidding on the token (even at the last minute), or allowing someone else to buy the token "from under them". Even if you listed the token at the full \$225 price, and it had received no bids up until the last 30 seconds, any collector can basically buy the token for that price at the last second! So any collector who ignores the token at the price you list it, sacrifices his "place in line" for the token.

THE ADVANTAGES OF BUYING TOKENS FROM EBAY

I have found, that buying tokens from the EBAY website, is fun, and the selection is large. It seems to be more suited to those token collectors among us, who have eclectic tastes in tokens, have wide and far ranging interests, and are pleased to find inexpensive interesting tokens. Many inexpensive common tokens "fall through the cracks" on EBAY, as many of the collectors are bidding mostly on the more expensive tokens. The sheer number of items on the EBAY site at any one time, dictate that viewers use their best thinking when conduction searches on the EBAY site. Often times, tokens will not be listed under exonomia, but rather under some odd branch, and wide searches with specific words, bring in those tokens listed in the odd categories. Again, the sheer numbers of tokens listed on EBAY, mean that many common tokens will go begging for bidders, at reasonable prices! Also, some rare and valuable tokens are listed on EBAY by sellers who do not understand the points that make the token valuable, thus they may list a post trader token from Wyoming Territory in the heading as just: OLD BRASS GOOD FOR TOKEN FROM WYOMING

Collectors who do not bid until the last second ("bushwhackers") often say they do not want others to know what they are bidding on.

In addition, buyers on EBAY, will often see tokens for sale, that would normally only be seen at national or regional token shows, which can often cost hundreds of dollars to attend, once air fares, hotel bills, taxi bills, missed work costs, food, drink, etc are factored in as costs in acquiring the tokens. EBAY allows the same collectors to see fairly good photographs or scans of the tokens, which is almost as good as attending the shows to see the tokens for yourself. Plus the bidders on EBAY have their token libraries available at home, and can answer questions in their own reference books prior to bidding!

HOW TOKEN CONDITION RELATES TO PRICE/VALUE

Many non-collectors, such as metal detector enthusiasts, fail to understand the importance of condition of tokens as related to value. Most token collectors are not nearly as critical of condition as coin collectors are, however condition plays a huge part in determining the value of any one token. A rare token in mildly circulated condition that brings \$1000 on the open market, if worn considerably may bring only \$600. If the same token is dug, pitted and rough may bring only \$500. If the dug and pitted token has holes drilled, punched, or rusted through the token, it may only bring \$100. Even non-dug tokens, which have clean holes drilled through them, may drop in value by 70 to 80 percent, depending on the size of the hole, the placement of the hole, etc. Small holes may only decrease the value by 5 to 10 percent if they are centered, small and clean.

PROVENANCE OF A TOKEN AND PRICE

The provenance of a certain token can add a certain amount to the value of a token, say 5 to 10 percent. Things most collectors would be willing to pay for, is a token that was in the collection of a famous token collector they admire, or one that was the specific token photographed for a token reference book. Tokens that were in the collection of the author of a token reference book, are generally considered to be worth a premium.

TOKENS THAT HAVE HISTORICAL SIGNIFICANCE AND PRICE

Tokens increase in price when they can be tied to specific historic events, or places. For instance, tokens from the town of Tombstone, Arizona Territory are highly valued, due to the widely known connection with the Wyatt Earp story and the "shootout at OK Corral." Other tokens that bring a premium due to historical significance are any territorial tokens; post trader tokens, Indian trader tokens, and tokens from ghost towns of western states. Colorado, New Mexico, Nevada, Arizona, and California are the "hottest" states for ghost town tokens.

TOKEN MATERIAL AND DESIRABILITY

Certain materials that tokens were made from also increase the value of any token found in that material. Certainly, the least seen and most highly desirable material that tokens were made in is "vulcanite", which is a plastic appearing material. Celluloid is very similar, and a close second, although vulcanite is likely more common than celluloid. Two other materials that tokens were made from are also highly sought after, one is "white metal" or nickel, the other is "bimetal" which is usually an outer brass ring and an aluminum center. Brass would likely rate next in the pecking order, followed by aluminum at the bottom of the scale. Other materials are seen including cardboard (or pasteboard) and fiber, and even zinc. Generally they are not as desirable as brass and aluminum. An exception to this, is the cardboard "depot to hotel" transit and saloon tokens, which when found, are extremely rare, and valuable.

BUSINESS TYPE AND DESIREABILITY / PRICE

Generally, the most desired issuing business types, are saloons, post traders, Indian traders, CCC tokens, very old military tokens and such. Also to a lesser degree are billiard parlors, cigar stores, domino halls, dairies etc. The most common and the least sought after tokens were issued by general stores, grocers, etc.

IN SUMMATION

Selling tokens is a complicated proposition, and the person who has the most experience selling tokens, may be the person to ask for help when seeking sage advice. A person selling 2000 tokens ONE AT A TIME, will have a better understanding of the process, that a person who sells a collection of 2000 tokens as a lot. Likewise, a person who conducts a floor auction will generally have a good understanding of prices. EBAY has let everyone, including non-collectors, have the ability to see (in real time) what tokens are selling for every day of the week, 24 hours a day, 7 days a week. If nothing else, EBAY has become the educational equalizer for all token collectors!