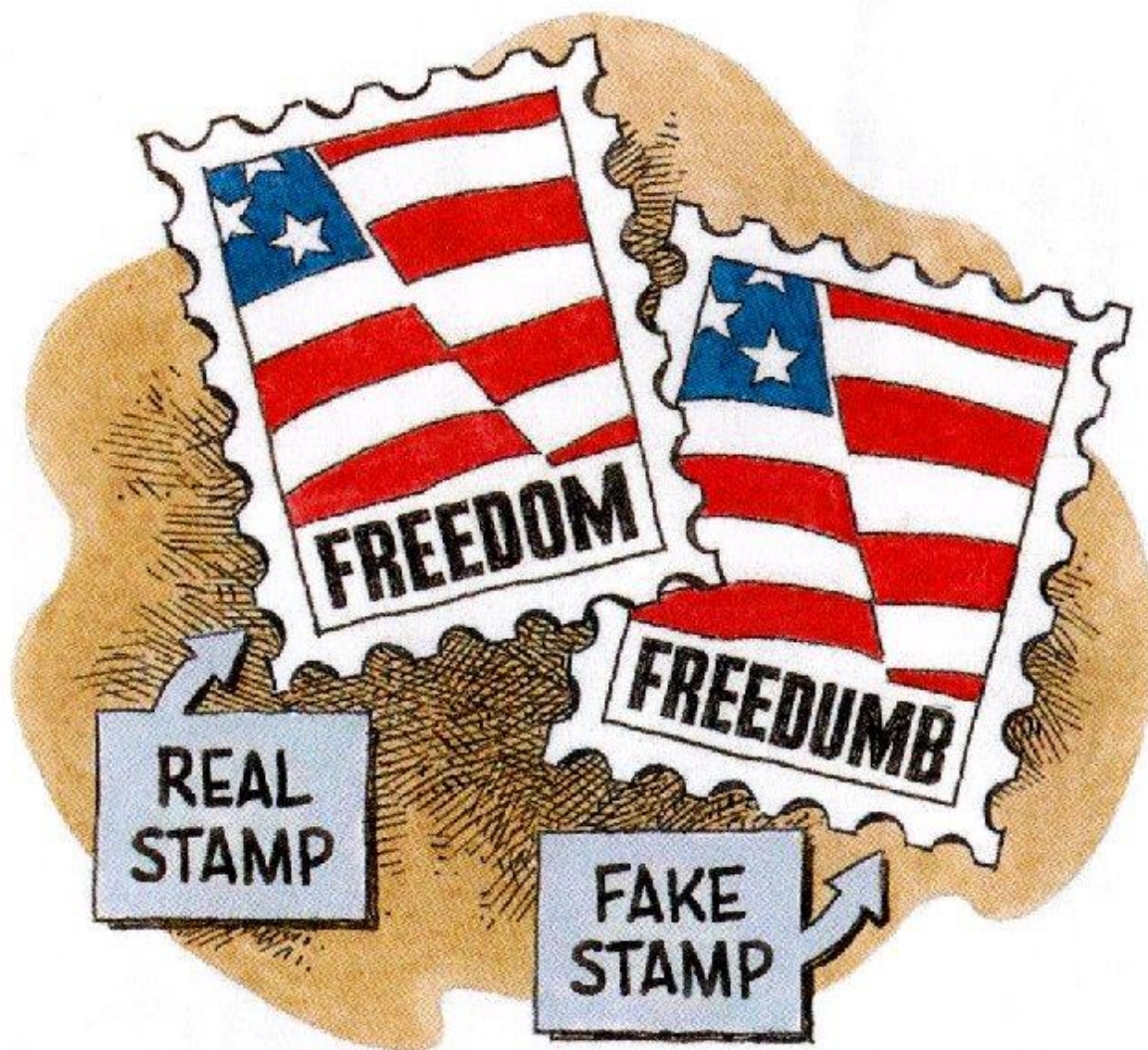




Counterfeit Stamps

Presented by Frank Miller
to Dayton Stamp Club on
April 15, 2024



Don't be a "Freddie Freedumb". Only buy your mailing stamps from the USPS or their authorized agencies.

BECAUSE...

"Items mailed with counterfeit postage will be considered abandoned and are subject to being opened and disposed of."

(United States Postal Inspection Service)

Counterfeit Stamps

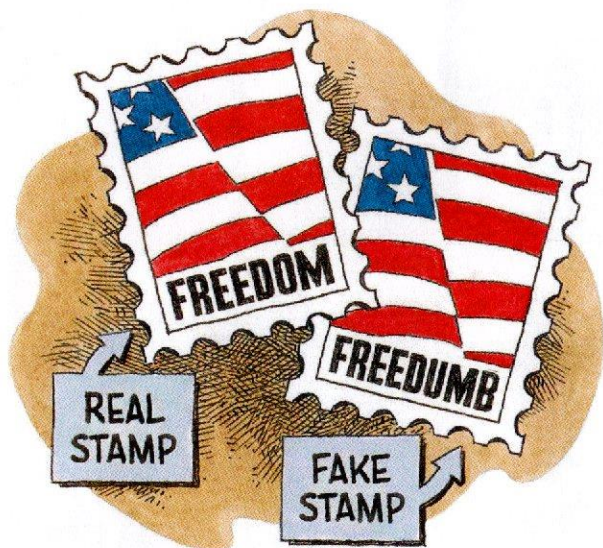
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Which Stamp is a Fake?



COLUMBUS OH 430

5 APR 2024 PM 2



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(United States Postal Inspection Service)

45414-172302

Steve Bricker

3302 Diamondback Dr.

Dayton OH 45414



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We'll be focusing on a different kind of crook - people who have produced counterfeits of U.S. general issue stamps, to sell to non-collectors, usually at a discount, for use as US postage.

These counterfeiters are NOT stamp collectors. In 1895 when the first major case broke, they were garden variety criminals. Now it is organized and even foreign governments!

Until the era of mass-produced photogravure stamps, the U.S. Postal Inspection Service did a good job putting the bad guys in jail for significant time periods.

For that reason, most US postal counterfeits up until 2002 are rarities in any form, but especially in the form of entire sheets, and when successfully used on cover.

Today the situation is different because of:

1. the technology available to anyone to produce them;
2. the availability of the Internet to help distribute them;
3. the large quantities of counterfeits produced abroad and smuggled, (or mailed!) into the US.

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There is also another factor which has contributed to the problem:

In the late 1980s the U.S. Postal Service decided to abandon the use of intaglio engraving in production of postage stamps, moving to the much less secure photogravure printing process.

In the 1960s, the US like many other countries began using tagging on stamps or in stamp paper. It was part of a move to use facer-cancellers to perform a task that formerly required hand labor.

The Postal Service calculated that counterfeiters would not go to the expense of adding the proper type of tagging that the facer-cancellers would recognize. The facer-cancellers were set so that they would kick out any letter mail that did not have tagging, or the proper type of tagging.

And the counterfeiters obliged by not adding tagging to almost all of their products. It would have greatly increased their cost to do so.

So far, so good. If the system had worked as designed, the counterfeits would be caught and the problem would be managed and minimized.

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But the USPS made too many assumptions:

1. the facer-cancellers would operate with a high degree of accuracy;
2. the postal personnel tending them handling the kick-outs would refer them to postal inspectors.

What actually happened is that the facer-cancellers kicked out and continue to kick out not just mail with counterfeit stamps, but also normal properly stamped mail.

Because most of the photogravure counterfeits are a pretty good match for the genuine stamps, the clerks are not able in a high production environment to take the time to try to identify any but the most obvious of counterfeits; so they have responded to the situation by hand cancelling the kicked out mail and sending it on its way.

Bottom line? The USPS opened the door to massive counterfeiting by going from intaglio (engraved) to photogravure printing. It costs them conservatively hundreds of thousands of dollars (if not millions) EACH year in lost revenue. And there is essentially no way the staff of the Inspection Service can police the result.

AND, often the counterfeiters are even adding tagging!

Let

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Let me give you a few Nuggets of Information:

*********The first case broke in 1895, with the 2c of the 1st Bureau issue being counterfeited.

******* Since then, we know of over 55 face-different US stamps though the 37c era, around 2002, which I call the classic period, that have been counterfeited.

*******Of those the 55 known, there are 48 examples in philatelic hands.

******* There are a wide variety of counterfeits, but the major distributions have their origins with organized crime in Russia, in both Chinas, Colombia, and probably the Government of North Korea; all of which have also been known to counterfeit US currency.

******* These however are not the first foreign-origin counterfeits. The \$2.60 Zeppelin counterfeits were probably produced in Italy in the 1950s;
--The 1/2c and 30c stamps from the 1954 Liberty Series were done in North Korea,
--And the World Stamp Expo '89 souvenir sheet is believed to have been done in Latvia.

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POST OFFICE DEPARTMENT
OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL
WASHINGTON, D. C.

April 10, 1895.

Postmaster at

Sir:

There are in circulation counterfeit two-cent ordinary postage stamps of the Bureau of Engraving and Printing Design, as described at the bottom of page 940 of the January, 1895, Postal Guide (trigonal ornament in upper corners and pale carmine tint.)

This is one of the spurious stamps:



At the first blush, it has the lighter look of more open engraving, but, under a magnifying glass, it will be found that this is attributable to the broken lines, thus ----- instead of the continuous lines, thus ----- of the genuine steel engraving. Thus suggesting a recourse to the photo-lithographic process in securing the counterfeit resemblance and imprint. These counterfeits are, so far as discovered, well perforated and printed in sheets of five stamps, only, wide.

You will impart this information at once to your subordinates who handle stamps, and, more especially, stamped matter received for transmission, and instruct them to scrutinize carefully the stamps thereon, and so far as possible, identify persons mailing any matters with spurious stamps upon them. The attention of yourself and subordinates will not be confined to the Bureau design, but secondarily to the two-cent of 1890 issue which has no ornament in the upper corners.

Upon the discovery of important information under these instructions, you will take active measures, and, having by the most expeditious means advised the nearest Post Office Inspector, notify this office.

This letter, with the attached stamp, will be carefully preserved, as you or your successor may be called upon for it.

Very respectfully,

3d Ass't P.M. General.

(K)

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1894 Series 2c Washington counterfeits – Type III

Type III triangle, Unwatermarked Issue (Scott #252)

Produced in Chicago in 1896, about two years after the Type Is, about 20,000 were printed and almost all were seized by authorities before there was much circulation. Fewer than ten known.

Printing was on thin white paper with a weak pink impression. The paper has a non-postal watermark; such that it was originally listed as being a counterfeit of Scott #267. .



Genuine
Perf 12x12



Counterfeit
Perf 11.9x11.9



Only known block



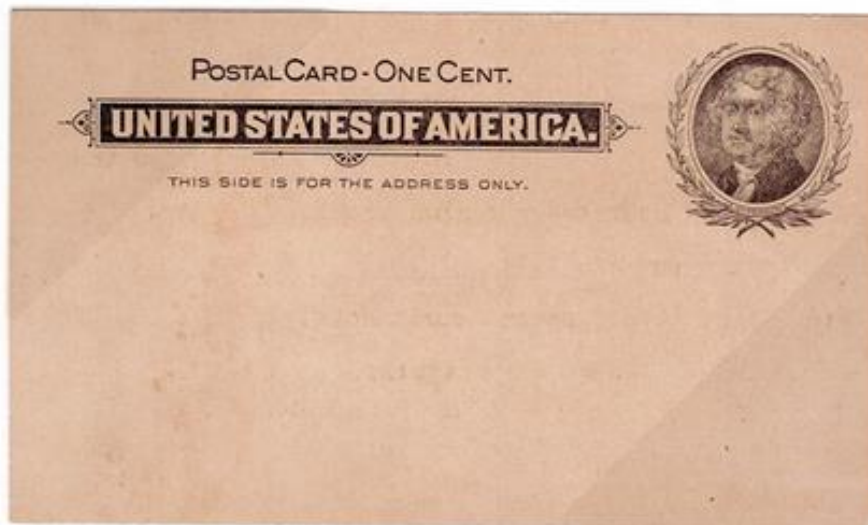
Only known usage;
Philadelphia, Pa., August 17, 1898.

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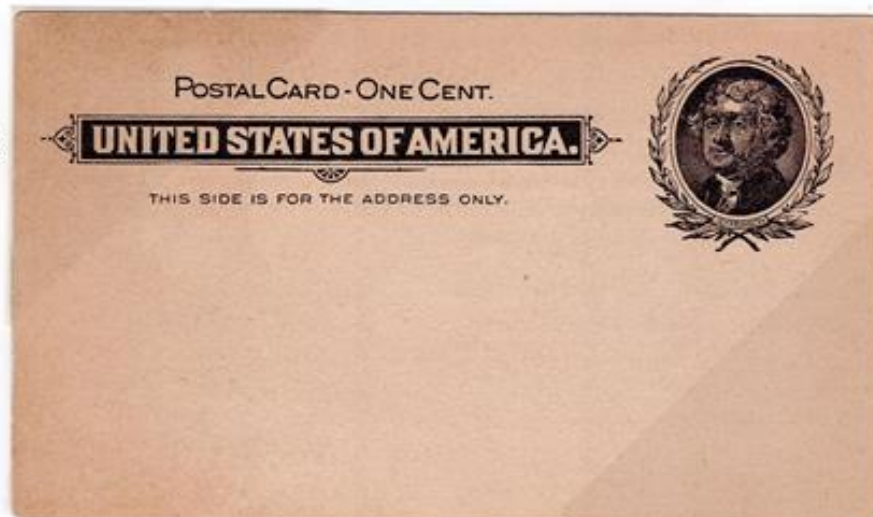
1897 1c Jefferson Postal Card

The counterfeit has five varieties. All share two characteristics: Darker than normal card stock, and the serifs are missing at the bottom of the second "T" and "E" of STATES". All are the work of one man in Chicago, who was arrested, convicted, and jailed. He made over two million of the cards, but only about 50 for all varieties are in the current census of cards in philatelic hands.



A typical
genuine
example

Type 1 Counterfeit (8 known)



Look for these traits: Border line weak below "E" of "UNITED", Small downward bend or break in border line of inscription directly above center of semi-circular ornament, Short upward extension of dot at extreme right end of inscription panel. Often, on coated reverse, is a printed listing of products available from the Central School Supply House of Chicago.

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In 1917, the U.S. Government began to issue War Savings Stamps to help finance the mobilization effort for WWI, and to involve the public in the cause. Bogus copies of the July, 1919 version began to circulate shortly after the genuine second-issue stamp was released; first seen in Newark, New Jersey, and then Philadelphia, Pennsylvania. Another version (shown here) was later discovered in San Francisco.



Counterfeit, printed by offset, 26.5mm x 36.4mm. Thin grey paper, irregular gauge 11 perforations. Odd margins, image not centered on perforations. Background lines around Franklin portrait and upper text are lighter than genuine. The white area at the bottom of the "2" in "1924" is in the shape of a wedge. The East Coast Counterfeit can be identified by the dash between "War" and "Savings", which looks more like a period.



Genuine, engraved, 26.8mm x 36.4mm. Sharp image on white paper with blue tint, gauge 11 perforations. The white area at the bottom of the "2" in "1924" is a thin line to the left edge.



Counterfeit Stamps

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2022 U.S. Flag Forever Stamps

Up to 80% off

We legally purchase our stamps from thousands of supply partners and the public from businesses such as COSTCO and CVS; from bankrupt and liquidated businesses, to wedding organizers and stamp collectors. Because of this, we can acquire a lot of stamps at great prices and give the savings on to our clients. Our processes, product acquisitions and transactions are legally supported by our all-star legal team. All transactions are in compliance with the laws of the United States of America.

USPS is raising stamp prices to 68 cents on January 21, 2024!



2019 U.S. Flag Forever Stamps

Up to 80% off



Sparkling Holidays 2018

Up to 80% off



Holiday Elves 2022

Up to 80% off



Sesame Street Forever Stamps 2019

Up to 80% off



Winter Woodland Animals 2023

Up to 80% off



Snowy Beauty Stamps 2022

Up to 80% off

LIMITED TIME DISCOUNT*

15% off

USE CODE: **ST15OFF**



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Scott No. 3635CF1 Counterfeit 37C Flag
Complete booklet of 20

Key characteristic
lack of "USPS" microprinting that appears at top right edge



Dennis
Callison's
Counterfeit
Booklet of
20, Scott
#3635CF1

Scott No. 3635a booklet of 20
Regular Issue



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Oct. 25, 2023

USPS, Inspection Service Continue Nationwide Effort to Crack Down on Postal Crime and Crimes Against Postal Employees

Monetary Rewards Increased for Information that Leads to the Arrest and Conviction of a Perpetrator of Postal Crime

Project Safe Delivery Progress To Date

- **Law Enforcement Surges Completed In Chicago, San Francisco, Ohio; More than 600 Individuals Arrested for Postal Crimes. 10,000 High-Security Blue Collection Boxes Installed Nationwide. Ongoing Replacement of Antiquated Arrow Locks with 49,000 Electronic Locks.**
- **99.3% Reduction In Fraudulent Change of Address Submissions After Implementation of Electronic- and In-Person Authentication Procedures.**
- **50% Reduction in Counterfeit Package Postage Labels In Postal Network Due to Increased Controls and Enforcement. In May, analysis conducted by the Inspection Service led to the arrest of a Chinese-national in Los Angeles for running an alleged counterfeit postage scheme and shipping more than 9 million pieces of mail with \$60 million in counterfeit postage.**

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The Inspection Service continues to expand actions to crack down on fraudulent postage including:

- **Interdictions of packages with counterfeit labels affixed**
- **Reviews of shipments on Postal Service docks and during warehouse outreach visits**
- **Shut down of websites and closure of eCommerce accounts selling counterfeit postage**
- **Engagement and partnership with eCommerce companies to disrupt activity**
- **Customs and Border Protection (CBP) collaboration**

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Action the American Public Can Take To Help Prevent Mail Theft

Customers can take several steps to protect their mail and their letter carriers, including:

- Don't let incoming or outgoing mail sit in your mailbox. You can significantly reduce the chance of being victimized by simply removing your mail from your mailbox every day
- Deposit outgoing mail through a number of secure manners including inside your local Post Office or at your place of business or by handing it to a letter carrier.
- Sign up for Informed Delivery and get daily digest emails that preview your mail and packages scheduled to arrive soon.
- Become involved and engaged in your neighborhood via neighborhood watches and local social media groups to spread awareness and share information.
- Keep an eye out for your letter carrier. If you see something that looks suspicious, or you see someone following your carrier, call 911.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

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Counterfeit Stamps

Don't Get Stuck with Bogus Stamps

Are you looking online for a good deal on postage stamps? Is a substantial discount of up to fifty percent off an order of United States Forever® Stamps too good to pass up? If so, keep scrolling, they're probably counterfeit.

The number of counterfeit stamps being sold from online platforms has escalated. Scammers peddle fake stamps on social media marketplaces, e-commerce sites via third party vendors, and other websites. Counterfeit stamps are often sold in bulk quantities at a significant discount—anywhere from 20 to 50 percent of their face value. That's a tell-tale sign they're bogus.

Purchasing stamps from a third-party wholesaler or online websites can be unpredictable. You have no way to verify whether they are genuine or not. The Postal Inspection Service recommends purchasing from [Approved Postal Providers™](#). Approved vendors can include legitimate “big box” or warehouse retailers who do provide very small discounts on postage stamps, but this is through resale agreements with the Postal Service.

USPS is fighting back against counterfeit postage with new changes to the Domestic Mail Manual.

Items mailed with counterfeit postage will be considered abandoned and are subject to being opened and disposed of at the Postal Service's discretion.

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I want to thank the following people who helped me put together this presentation.

- John Hotchner for his presentation material.
- Nora Bryson for let me use her “Countering Counterfeits” article from the new APS digital magazine “stampEd”.
- Dennis Callison for lending me his counterfeit stamps and for his assistance in gathering material.
- Frank Pauer for his cachet design.
- Steve Bricker for his “Cinderella” sticker design.
- Brian Plants of the USPS who sent me 2 articles on the USPS response to modern day counterfeiting.



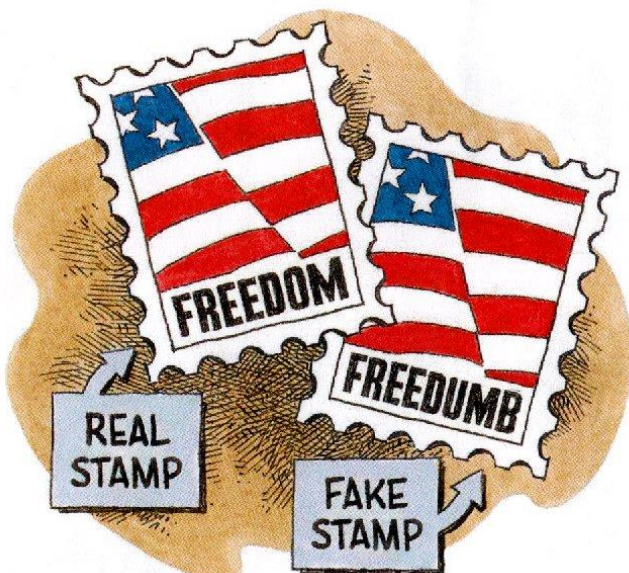
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