Progressing toward a price evaluation for chess postmarks

**Article breakdown**

1. Introduction

Which collector is not interested in determining a fair price for an individual item, be it due to a planned purchase or sale or just to know the value of an existing item in his collection.

In the past, different chess philately catalogues made a price assessment of the collectible items. This mainly related to stamps and postmarks. Examples are (a) Henninger 1980, (b) Checkmate 1980, (c) Schmale 1990 and (d) Borges 2008. It is no longer traceable how the price evaluations in these catalogues came about. What is certain, however, is that these prices are all out of date, if only because of inflation that has occurred since they first appeared.

The time has come to make fresh efforts at a sensible assessment methodology. That is attempted with this article. The pricing process I propose consists of two steps:

1. Determination of a <u>maximum value</u> for a postmark.
2. In addition, a second qualitative evaluation level based on individual characteristics, which provides for devaluation of the maximum value and determines the <u>final comparison price</u>.

The complete calculation path in one chart:
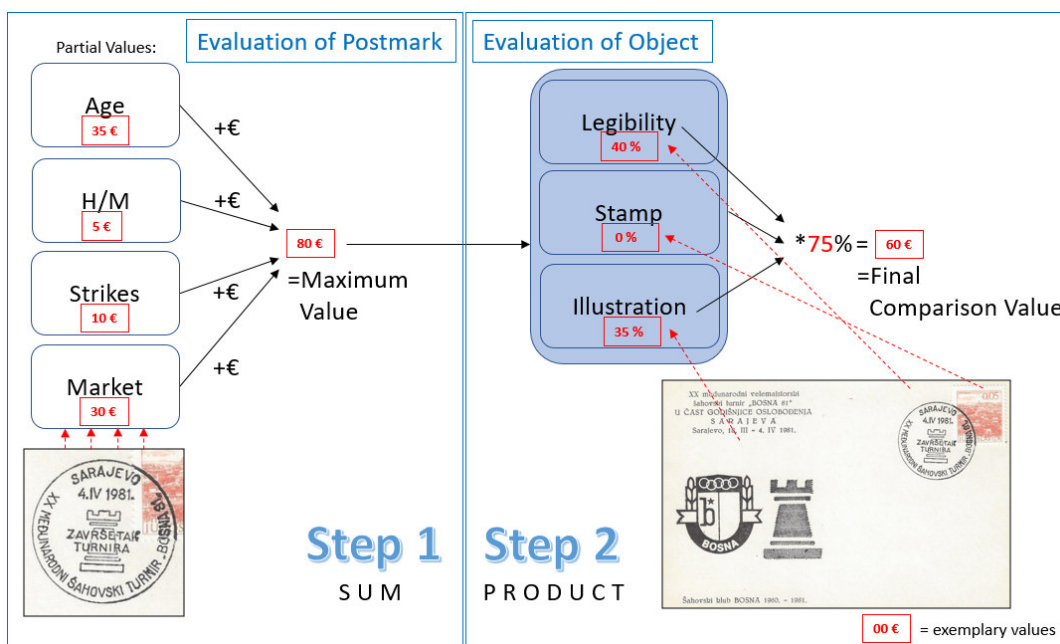
The calculation seems complicated and will not appeal to everyone. But it is transparent and every collector can make adjustments that are suitable for themselves. This is very easy in individual cases if you are only evaluating a single item; but the adapted calculation method may no longer be correct when applied to other objects or even lead to incomprehensible results.

I would like to begin with the remark that there will not be any reference to actual sales, since their results are either not publicly available or, due to their small number, are not of any particular interest. Also, in principle, they do not constitute a really reliable benchmark. I admit that two worlds of views collide here: On one side is the opinion that only a transaction actually carried out provides an indication of a real market price. The other side only sees it as a subjective or individual snapshot in time that does not necessarily have anything to do with today's market events on the Internet. This is my point of view.

The final price determined is definitely not a buying or selling price, only a comparative price. This means that the value only allows a comparison with other objects that have been evaluated in the same way.

An evaluation is carried out by considering and evaluating different sub-areas, which can be defined in the following terms:

+   Age of the postmark
+   Market availability / supply of the postmark
+   Postmark type (hand / machine)
+   Length of time of use of the postmark
=   **Maximum value with 100% quality**
*   Postmark quality
*   Nature of the cover
=   **Final comparison price**

Exclusions

It should be pointed out that only envelopes are mentioned in the following text, even if it could be another medium such as a card.

An evaluation of FDCs, maximum cards and postal stationery is not carried out.

There is no difference in price between special letters and special cards; because what should be more valuable on an envelope than a card?

This evaluation process is neither suitable nor designed for extreme objects (very rare or special items). The same applies to postmark errors and forgeries.

2.   Evaluation process

The comparison price determination of a chess postmark is started WITHOUT sight of an object available to us, in that only the generally known components of the cancellation are subjected to an examination according to assessable criteria.

• How old is the cancellation? The older the more valuable.

• How long was it in use? The shorter the period of use, the fewer strikes are likely to exist and the rarer the postmark may be.

• What is the market situation? The rarer an offered postmark, the higher its price will be.

• What type of cancellation is it? Machine cancellations are regularly of better quality than hand cancellations.

Let's start the evaluation process now!

2.1. General Evaluation Criteria

Each partial evaluation can be carried out individually. Each determined partial value must ultimately have a reasonable share of the total value. If we look at the individual partial values below, not all collectors will agree with all the results. But everyone can adjust each partial value according to their own understanding. However, if you only apply this adjustment to your own object and do not compare it with other comparable objects, a subjective misjudgment can quickly arise.

In this first evaluation step, components that are the same for all objects (age, market supply, postmark type, time of use) are taken into account, but none that relates to an item's qualitative condition (postmark quality, components). This disadvantage is compensated in a second evaluation step by considering a value for the quality of the individual cover.

2.1.1. Age

It is assumed that an object becomes more valuable with increasing age. This ageing process is assessed linearly, this means that all postmarks are given the same value for each day of their age. In the calculation, this is a fixed 0,0005 Euro per day.

A new object receives the value 0.0005 EUR on the day of issue, on the second day this value increases to 0.001 EUR, after 100 days to 0.05 EUR. The oldest known chess postmark, Borstendorf No. 1 from 11.05.1923, has an age partial value of EUR 17.93 on August 15, 2021 (for 35,892 days).

2.1.2. Postmark Type

A distinction is made between hand and machine cancellations. It is recognized that machine cancellations are usually of significantly better quality than hand cancellations. Based on this experience, hand cancellations are not given a partial value and machine cancellations receive a flat-rate surcharge of EUR 5.00. The evaluation at this point does not contain any information about the legibility of the cancellation.

2.1.3. Usage Time

It makes a difference whether a postmark was struck on just one day or used over a long period of time. In the latter case, there may have been numerous strikes each day, which can significantly increase market availability. These considerations resulted in the requirement of a "small addition" to the market availability through the period of use.

Usage Period in Days	Premium in EUR	Applies to (No. of Postmarks)
over 30	0,00	173
26 to 30	1,00	55
21 to 25	2,00	58
16 to 20	3,00	122
11 to 15	4,00	127
10	5,00	19
8 to 9	6,00	79
6 to 7	7,00	73
4 to 5	8,00	47
2 to 3	9,00	151
1	10,00	2.832

There is a weakness in this evaluation point: If the period of use is not exactly known, then this partial value cannot be determined exactly. This case, however, is pretty unlikely and according to the table above, this uncertainty is only acute within a usage period of 30 days. The maximum error rate here can only be 9 EUR (≙ 29 days at a maximum).

2.1.4.   Market Availability / Supply

If the partial evaluation so far was very simple, it now gets more complicated.

The market availability cannot be evaluated objectively and thus admittedly represents a weak point in the evaluation process. So that personal perception does not gain the upper hand over objectivity, it was considered how one can at least practically approach the market availability.

It is assumed that the more documents that can be used for an evaluation, the higher the market availability. Experience has shown that there is no shortage of Yugoslavian items and so their high market availability can easily be assumed. But you shouldn't make it that easy for yourself.

Thanks to some very active and amicably connected collector friends who have contributed an enormous amount of time and material, a large database has been set up in which almost all known postmarks and associated documents (envelopes / cards) have been registered. It contains approx. 4,400 documents for approx. 3,700 cancellations. This enables a PC-based evaluation. It has not (so far) been possible to provide evidence for all postmarks, but there are also postmarks for which more than 8 different documents are available.

On this basis, the market availability is approximated as follows: It is (subjectively) determined that if there are 6 or more available (and different!) covers, a market availability of 100% and a surcharge of 5.00 € will be assigned, while 3-5 available covers trigger a surcharge of € 10.00. If only 2 covers are known, the surcharge increases to 15.00 € and for only one cover to 30.00 €.

Special case: A surcharge of € 100.00 is for postmarks, where the existence of a cover is known, but which has not yet been viewed and is therefore considered to be rare. The latter, however, means that the price valuation will immediately drop by € 70.00 if there is a cover found for the evaluation.

If no cover is known for a postmark, no surcharge will be granted.

Private cancellations are excluded from the evaluation. Likewise, postmarks from countries that usually do not issue covers with illustrations (e.g. Mexico). There is no assessment of the market availability (surcharge = 0.00 €), which already entails a noticeable devaluation. This means that postmarks, for which it is not possible to assess market availability, cannot make it into the higher price ranks.

It goes without saying that super-rare objects, for which there are known very high collector's prices, cannot be taken into account in this price evaluation.

When evaluating the database, based on the criteria described above, you achieve the following graphic results, which show the determined values of ALL postmarks:
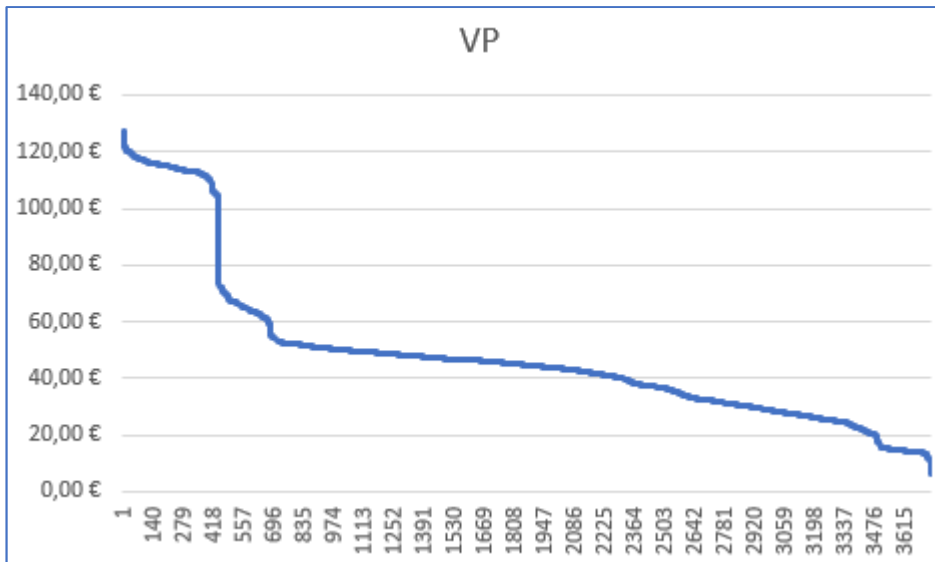
The higher values on the left represent the rare covers. It can be seen that the overall distribution is in line with expectations and does not produce any outliers.

The following overview for assessing market availability results from the considerations described above:

Meaning	Market Avalability	Premium	Number
Covers were regularly not issued (e.g. Mexico)	Not definable	0,00 €	229
Private postmarks	Not definable	0,00 €	715
6 or more different covers evaluated	Very good	5,00 €	10
3-5 different covers evaluated	Good	10,00 €	362
2 different covers evaluated	Satisfactory	15,00 €	702
1 cover evaluated	Small	30,00 €	1.683
Covers known, but not yet available/evaluated	none	100,00 €	246
No covers known	Not definable	0,00 €	440
		Total:	4.457

2.2.   Maximum Postmark Value

By determining partial values that are common to all postmarks, a basic comparative price was determined. This comparative price represents the highest quality standard (100%) and thus also the highest possible price evaluation. This value is a maximum and cannot be increased any more, but can only be downgraded due to quality deficits.

3.   Individual Evaluation Criteria

These lacks of quality are now sought specifically. They will result logically from the assessment of the available covers. The question always arises as to what extent a document meets the quality requirements.

3.1. Preliminary Remarks
3.1.1. Quality features

The quality of a cover is particularly defined by the postmark itself (an illegible cancel is worthless) and the chess components on the cover. The maximum weighting is set with the following basis points:

Strike	Chess Stamp	Illustration
50%	30%	20%

3.1.2. Postally Used

Another thought should be mentioned at this point. For many collectors, letters/cards that have actually been postally used are of particular importance. Here we go into the specialist fields of a hobby, which - also because of the high prices - is not interesting for every collector. Hobby cannot be expressed in comparative prices either. All interested collectors are asked to put their own personal premium on the prices. It would also be conceivable to grant a fixed surcharge to a document that was actually sent.

3.1.3. Postmark Colour

The cancellation colour itself cannot be part of the evaluation process. It can only be taken into account by considering the differently coloured cancellations as individual assessment subjects. At best, differences in valuation are due to the fact that certain postmark colours appear less frequently than others and thus generally increase the value. However, no attention can be paid to this in this evaluation process.

3.2. Cancellation Quality

The simplest quality assessment is whether a cancellation is clearly visible on the cover (= high price/50 basis points), less clearly visible (= medium price/25 basis points) or poorly visible (= low price/5 basis points). The rule here is that the cancel is the most important feature of the document and that a document with an illegible cancel has no value. An investigation showed that a quarter of the postmarks on the documents were illegible!

3.3. Nature of Cover

The cover (envelope / card / piece or cutout) is subject to a further quality assessment:

1. Is it (only) a plain cover or does it also have a chess illustration or even a chess stamp (ideally a stamp corresponding to the occasion/event)?

   An "empty" envelope (card) that has only one postmark and one (non-chess) stamp does not offer any starting points for a qualitative assessment and can only be evaluated with regard to the legibility of the postmark.

2. A chess stamp should match the reason for issuing the postmark [30 basis points] (at least from the same year), but in no case be older than 12 months [20 basis points], otherwise there is no plausible reason why it was attached to the cover. A chess stamp that does not "fit" to the envelope in terms of time is more irritating than useful [10 basis points]. In the case of non-chess stamps, this consideration does not matter.

   An evaluation of 4,200 documents showed that just under a quarter (23%, approx. 1,000 pieces) had a chess stamp. And of these documents, just under 300 pieces were provided with a chess stamp that was timely for the occasion.

3. The chess illustration gives a cover a higher value compared to a letter / card without such an illustration.

In this context, the question of the value of the illustration can also be refined.

a) Is it an illustration that corresponds to the chess occasion of the postmark? [20 basis points]

b) Or is the illustration only (generally) related to chess, but does not provide any indication of the occasion? [10 basis points]

c) Or does it have something to do with the occasion, but has nothing to do with the game of chess? [5 basis points]

The different quality variants must be set in relation to one another in order to express gradations of the intrinsic value. The %values specified in the matrix below are structured in such a way that they can result in a reasonable gradation.

#	L = Legibility / C = Clear / L = Less / P = Poor	S = Stamp / O = implies occasion / T = timely usage / A = antiquated usage	I = Illustration / CO = implies chess occasion / OS = implies occ. + a chess symbol / C = chess symbol only, no occ.	L	S	I	Legibility	Stamp	Illustration	%	GB
1	C	ST=O	IL=CO	A	A	A	50	30	20	100	31,10 €
2	C	ST=O	IL=OS	A	A	B	50	30	10	90	27,99 €
3	C	ST=O	IL=C	A	A	C	50	30	5	85	26,43 €
4	C	ST=O		A	A	D	50	30		80	24,88 €
5	C	ST=T	IL=CO	A	B	A	50	20	20	90	27,99 €
6	C	ST=T	IL=OS	A	B	B	50	20	10	80	24,88 €
7	C	ST=T	IL=C	A	B	C	50	20	5	75	23,32 €
8	C	ST=T		A	B	D	50	20		70	21,77 €
9	C	ST=A	IL=CO	A	C	A	50	10	20	80	24,88 €
10	C	ST=A	IL=OS	A	C	B	50	10	10	70	21,77 €
11	C	ST=A	IL=C	A	C	C	50	10	5	65	20,21 €
12	C	ST=A		A	C	D	50	10		60	18,66 €
13	C		IL=CO	A	D	A	50		20	70	21,77 €
14	C		IL=OS	A	D	B	50		10	60	18,66 €
15	C		IL=C	A	D	C	50		5	55	17,10 €
16	C			A	D	D	50			50	15,55 €
17	L	ST=O	IL=CO	B	A	A	25	30	20	75	23,32 €
18	L	ST=O	IL=OS	B	A	B	25	30	10	65	20,21 €
19	L	ST=O	IL=C	B	A	C	25	30	5	60	18,66 €
20	L	ST=O		B	A	D	25	30		55	17,10 €
21	L	ST=T	IL=CO	B	B	A	25	20	20	65	20,21 €
22	L	ST=T	IL=OS	B	B	B	25	20	10	55	17,10 €
23	L	ST=T	IL=C	B	B	C	25	20	5	50	15,55 €
24	L	ST=T		B	B	D	25	20		45	13,99 €
25	L	ST=A	IL=CO	B	C	A	25	10	20	55	17,10 €
26	L	ST=A	IL=OS	B	C	B	25	10	10	45	13,99 €
27	L	ST=A	IL=C	B	C	C	25	10	5	40	12,44 €
28	L	ST=A		B	C	D	25	10		35	10,88 €
29	L		IL=CO	B	D	A	25		20	45	13,99 €
30	L		IL=OS	B	D	B	25		10	35	10,88 €
31	L		IL=C	B	D	C	25		5	30	9,33 €
32	L			B	D	D	25			25	7,77 €

#	P	ST	IL	C							Price
33	P	ST=O	IL=CO	C	A	A	5	30	20	55	17,10 €
34	P	ST=O	IL=OS	C	A	B	5	30	10	45	13,99 €
35	P	ST=O	IL=C	C	A	C	5	30	5	40	12,44 €
36	P	ST=O		C	A	D	5	30		35	10,88 €
37	P	ST=T	IL=CO	C	B	A	5	20	20	45	13,99 €
38	P	ST=T	IL=OS	C	B	B	5	20	10	35	10,88 €
39	P	ST=T	IL=C	C	B	C	5	20	5	30	9,33 €
40	P	ST=T		C	B	D	5	20		25	7,77 €
41	P	ST=A	IL=CO	C	C	A	5	10	20	35	10,88 €
42	P	ST=A	IL=OS	C	C	B	5	10	10	25	7,77 €
43	P	ST=A	IL=C	C	C	C	5	10	5	20	6,22 €
44	P	ST=A		C	C	D	5	10		15	4,66 €
45	P		IL=CO	C	D	A	5		20	25	7,77 €
46	P		IL=OS	C	D	B	5		10	15	4,66 €
47	P		IL=C	C	D	C	5		5	10	3,11 €
48	P			C	D	D	5			5	1,55 €

3.4.   Final Comparison Price

Let us now take the maximum comparison price determined for an object (see chapter 2.6.). Depending on the component features, this value is multiplied by the percentage value in the right-hand column to determine the final comparison price. Three examples:

(a)   It is an ABA object (see classification columns above in the table), the maximum value for the cover shown below is 20.00 EUR.
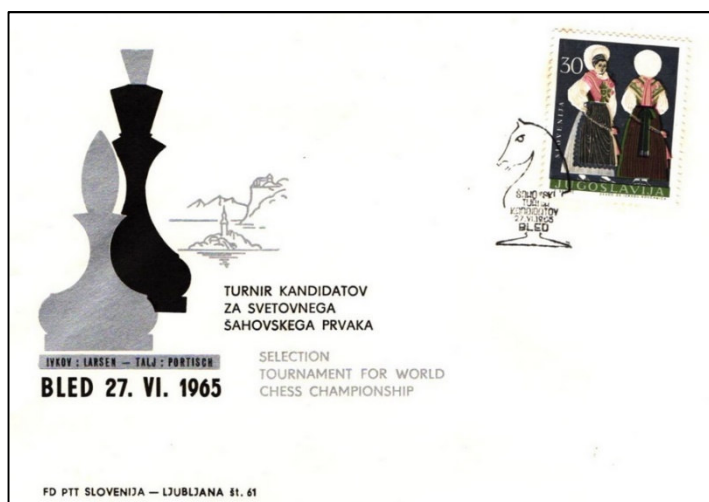

Legibility	Chess Stamp	Chess Illustration	Total
CLEAR	ST=A	IL=CO	
A	B	A	
50%	20%	20%	90%

The final comparison price is calculated 20.00 EUR * 90% quality = 18.00 EUR
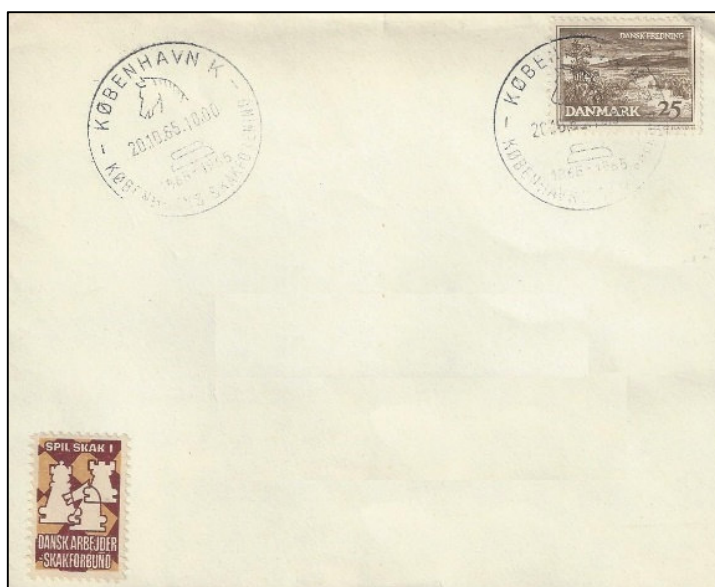
(b)   It is a BDA object, its maximum value is 30.00 EUR.

Legibility	Chess Stamp	Chess Illustration	Total
LESS	-	IL=CO	
B	D	A	
25%	0%	20%	45%

The final comparison price is calculated 30.00 EUR * 45% quality = EUR 13.61

c)   It is a CDD object, its maximum value is 22.19 EUR.

Legibility	Chess Stamp	Chess Illustration	Total
POOR	-	-	
C	D	D	
5%	0%	0%	5%

The final comparison price is calculated 22.19 EUR * 5% quality = 1.11 EUR

4.   Conclusion

With the methodology presented here, every collector can set the price himself. Ideally, thanks to the (final) comparison price, it can strike a balance between the interests of the seller and buyer. Since the methodology is hereby made public, anyone can use it.

Even a long march starts with a small step (Confucius)

Without such an attempt, nothing changes. With this article there is at least the possibility that at some point a (also different) calculation methodology will develop sustainably and then solidify into common property in collectors' circles.

Objective criticism of the methodology presented here is desirable so that it can be improved. Everyone is called upon to contribute to the improvement with their own ideas, either by sending a message to the editorial team or to the author himself at info@chessstamps.com

Information

The more you delve into pricing, the more detailed and complicated the evaluation process becomes. That is not always an advantage. Since the calculation process is not so easy to do with paper and pencil, an "Excel calculator" is available at the following link http://chessstamps.com/?page_id=3184. It is free to download and use. This calculator maps the calculation process presented in the article.

I would be happy if this article leads to an exchange of views on this methodology.

Hans-Joachim Deuker, October 2021