

COPACARTA

Volume 39 No. 2 April 2022

SCADTA Perfins in France.

Pierre Wexsteenn..... Page 2

Postcard Corner: Al Brown

Brad Wilden..... Page 4

Cancels of Colombia's National Post:1900-1950, Types and Varieties.

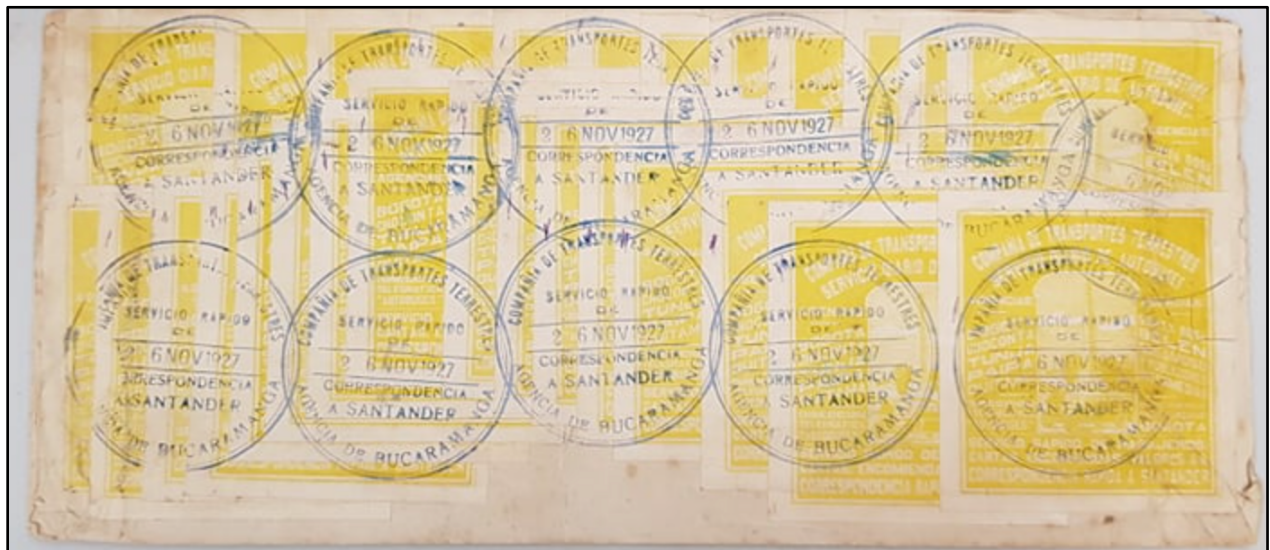
Larry Crain..... Page 5

Panama on eBay.

Brad Wilde..... Page 10

1924 Arms Issue of Panama

Kurt Streepy..... Page 12



Cover of the Quarter: A magnificent find in the sale of the collection of the late Don Avery.

A cover from Bucaramanga (November 26, 1927) to Bogota. Reverse franked with not less than 28 copes of the large yellow stamp of the 1st issue from 1927 of the Compañia de Transportes Terrestres. The cover will be subject to a more detailed article in the next COPAPHIL issue.

1924 Arms Issue of Panama

By Kurt Streepy

This study will examine the events leading to the first printing and use of the 1924 Arms Issue of Panama produced by the American Bank Note Company (ABNCo). It follows on the piece by Jim Cross issued in *Canal Zone Philatelist* 149:33, 36-37 with further exploration of the printing competition from Waterlow & Sons, Ltd of London, and the concern of the abrogation of the Taft Treaty. Most of the research presented is from the ABNCo archives that document the communication between the ABNCo, Panama, and Juan Ehrman. Juan Ehrman was the ABNCo agent in Panama. This piece will look at ABNCo order F-7427, Panama's original order from the ABNCo.

Background

As with other United States Possessions of the time, the United States had introduced overprints on United States stamps within the Canal Zone in July 1904. With lower postal rates to the United States and the Canal Zone from Canal Zone post offices, residents of Panama could use the Canal Zone post offices to reduce the cost of mailings to the US and Possessions. This issue, among other concerns related to tariffs, led to protests in Panama. This eventually led to the December 1904 signing of the Taft Treaty. One of the United States concessions in the treaty would be the purchase of Panama stamps at 40% of face value for use in the Canal Zone to compensate Panama for lost postal revenue that occurred when mail was posted in the Canal Zone instead of Panama. The stamps were to be supplied by Panama and overprinted "CANAL ZONE".

By 1920 the postal rates of Panama and the Canal Zone had been harmonized through a postal treaty between the nations that allowed mail to be sent at the domestic rate. Rates under the treaty were 1-cent for post cards and 2-cents for letters with other rates

mirroring the domestic rate. This differed from the UPU rates of 2-cent post cards and 5-cent letters. At the time one American cent was equal to 1 Panamanian centesimo and one dollar was equal to 1 balboa. With the strengthening of Panama, changes in postal rates and other factors covered in the treaty, the United States began to question the need for the treaty going forward.

January 30, 1923

Juan Ehrman sent a letter to ABNCo to notify of an upcoming decree for a new permanent issue of ½, 1, 2, 5, 10, 20, 50 centesimos and 1 balboa. This issue would be required in November to resupply the Canal Zone. Ehrman anticipated a competing bid from Waterlow & Sons of London.

May 18, 1923

Ehrman provided the ABNCo with the official desired description of the design and requested shipping quantities. Panama requested a model as soon as possible. Ehrman reported Waterlow had provided a model (figure 1) and Waterlow offered to print an inventory and ship as needed.



Figure 1: Waterlow submissi (unique item).

The question of the future of the Canal Zone supply was already on Panama's mind.

The Government is taking the precautions not to order beforehand, the complete quantity for the Canal Zone, on account of the new Treaty with the United States, which

is under consideration at the present, and the postal agreement with the Canal Zone might be altered.

Design:

- Center – coat of Arms of the Republic
- Above – Republica de Panama
- Below – Denomination in number and letters
- One color each denomination
- Size – same as the postage stamps of Great Britain

	Panama Request	Canal Zone Request
1/2c	100,00	-
1c	1,000,000	1,000,000
2c	1,000,000	2,000,000
5c	500,000	500,000
10c	175,000	75,000
12c	50,000	50,000
15c	75,000	25,000
24c	90,000	10,000
50c	95,000	5,000
1 Balboa	45,000	5,000
1c envelope	-	250,000
2c envelope	250,00	250,000
1c postal card	-	250,000
1c booklets of 24 stamps	-	5,000
2c booklets of 12 stamps		30,000
2c booklets of 24 stamps		5,000

June 14, 1923

ABNCo provided Ehrman a quote to share with Panama totaling \$15,948. ABNCo expressed a strong desire to keep the Panama business

We wish to impress you strongly with the thought that Waterlow & Sons must not be allowed to carry away this order, even if we have to make a sacrifice. In fact, we will go further and say that, after every effort has

been made to protect our prices in competition with Waterlow & Sons, we would in extreme necessity, be willing to take the order on even terms with them. We give you this confidential information as the very last string to your bow, but hope that you will display all your skill to avoid using it.

Pricing quotes and quantity:

- Engraving for 10 denominations at \$95.00 each
- Stamps (6,800,000) at \$1.25 per 1000 stamps
- Booklets 240,000 stamps (1c and 2c) in books of 24 stamps at \$2.75 per 1000 stamps
- Booklets 360,000 stamps (2c) in books of 12 stamps at \$2.35 per 1000 stamps
- Additional charge for surcharge “Canal Zone” in sheets or booklets at \$0.10 per 1000 stamps
- Lithographed envelopes 500,000 (1c and 2c) at \$6.00 per 1000 envelopes
- Additional charge for surcharge “Canal Zone” at \$0.80 per 1000 envelopes
- Lithographed postal card 250,000 (1c) at \$4.20 per 1000 cards
- Additional charge for surcharge “Canal Zone” at \$0.80 per 1000 cards

August 1, 1923

Ehrman reported the design submitted was not accepted. The word “CORREOS” is missing, and a different design is required (figure 2). The Waterlow concern continues to develop.

The firm of Waterlow has sent in their models and prices. Apparently, the models of stamps and envelopes are satisfactory and according to a rumour, their price is about \$5000 less than yours on the complete order. I am trying to get the official figure.



Figure 2: Unaccepted first model by ABNCo (unique item).

August 31, 1923

In a letter to Ehrman, ABNCo confirmed a cable sent August 30th to reduce the price 10%. They stated this was break even after printing costs and Ehrman's 5% commission.

We confess we are at a loss to understand how Waterlow's prices can possibly be so much under ours on an order this size and feel that the leaning toward them in the last year or so must be due to a commission being paid some of the officials down there.

September 11, 1923

Ehrman cabled the details of the Waterlow bid that totaled \$12,023 with a delivery date of November 15, 1923 for the Canal Zone 2-cent stamps and post cards.

September 13, 1923

ABNCo sent a cable reply to Ehrman *If absolutely necessary, you may meet Waterlow Sons & Co. price but we feel you will be able to do better in view of superior quality work and quicker deliveries.*

ABNCo went on to offer a partial shipment November 6th if the order was placed

immediately. Figure 3 from the archives offers a comparison of the bids.

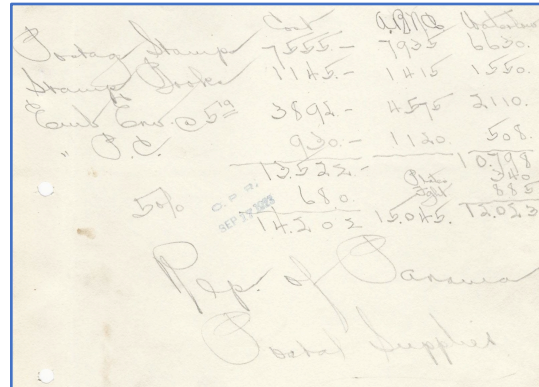


Figure 3: Handwritten comparison of ABNCo cost, ABNCo bid and Waterlow bid..

September 14, 1923

The bid was awarded to ABNCo with the bid match to Waterlow, but to ABNCo's further disappointment, Panama ordered less than half of the original order.

	Panama Quoted Order	Panama First Partial Order	Canal Zone Quoted Order	Canal Zone First Partial Order
1/2c	100,000	50,000	-	-
1c	1,000,000	250,000	1,000,000	500,000
2c	1,000,000	500,000	2,000,000	1,000,000
5c	500,000	250,000	500,000	250,000
10c	175,000	75,000	75,000	75,000
12c	50,000	10,000	50,000	50,000
15c	75,000	10,000	25,000	25,000
24c	90,000	10,000	10,000	10,000
50c	95,000	5,000	5,000	5,000
1 Balboa	45,000	5,000	5,000	5,000
1c envelope	-	-	250,000	150,000
2c envelope	250,00	100,00	250,000	250,000
1c postal card	-	-	250,000	150,000
1c and 2c booklets	-	-	40,000	40,000

September 21, 1923

Ehrman reported Panama needed a quote for the partial order as soon as possible. The budget did not currently allow for a full order. While the bid was accepted, the model for the stamp was not (figure 4). Panama preferred the models from Waterlow and sent the 24-cent and 50-cent Waterlow models to ABNCo asking that they use them to design something comparable. They approved the quote without seeing an updated model and asked production to be rushed. Panama requested the Waterlow models be returned since they belonged to Waterlow. The return was documented on November 27, 1923 (Figure 5). It is unknown to the author if these Waterlow 24-cent and 50-cent models now exist.



Figure 4: Unaccepted second model by ABNCo (unique item).

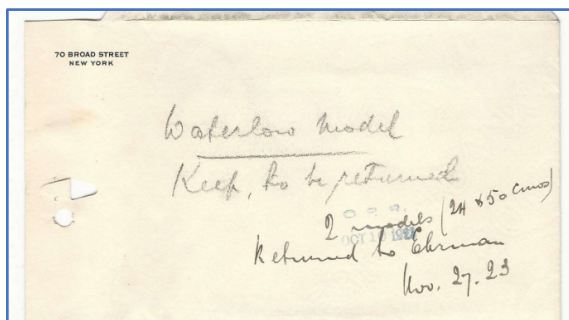


Figure 5: Envelope from Waterlow models. Appears to have been returned to Ehrman November 27, 1923.

October 8, 1923

The models were supplied to H.R. Treadwell, Manager Engraving Department, with a request to provide a new model as near as possible short of copying the Waterlow print.

October 11, 1923

ABNCo Foreign Office order F-7427 was assigned to the steel dies, Panama, and Canal Zone sheets and postal stationary. The stamp plate would be 200 stamps as two panes of 100. Stamps to be issued in single color with a different color for each value. Order listed 5-cent as Blue-9, 15-cent as Blue-87 and 1 Balboa as Blue-7. The change to black for the 1 Balboa was not documented in the ABNCo archives. Order 7428 was assigned to the Canal Zone overprint booklets. A model was created for the 50-cent (figure 6-7).

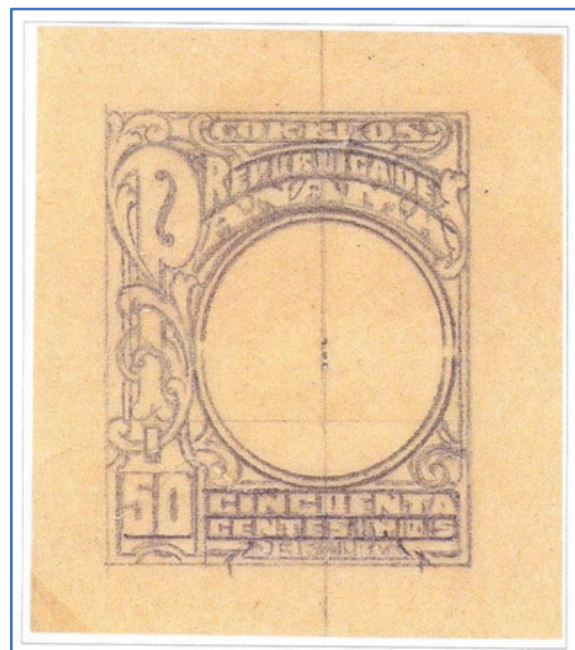


Figure 6: Pencil drawing on tracing paper from ABNCo (unique item).



Figure 7: Hand painted frame in blue with black vintage (unique item).

The ABNCo maintained records of all the models (figure 8) and dies (figure 9) produced.



Figure 8: Photographic record of 3 models produced for the Arms issue (unique item).



Figure 9: Dies with original pre-1924 C- die numbers replaced with new 1924 five digit die numbers (unique item).

With the urgent need for the 2-cent stamp in the Canal Zone, the 2-cent die was created first (figure 10). It was used as the model for the remaining dies.

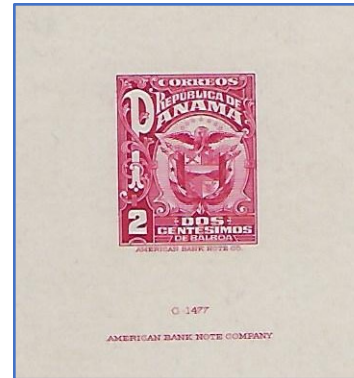


Figure 10: Cropped large sunken die proof C-1477.

By October 17, proofs (figure 11) and specimen (figure 12) had been printed.

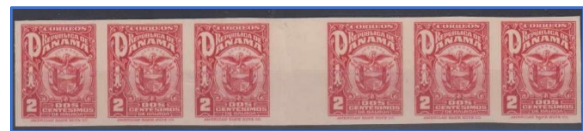


Figure 11: Proof on card stock with gutter between two panes.



Figure 12: Specimen top margin block from ABNCo archives. Dated October 17, 1923,

October 25, 1923

Ehrman again wrote to express the urgent need for the Canal Zone 2-cent stamp and 1-cent post card.

It is in order that you will not submit the new model for approval again nor your model for embossed envelopes and postal cards, as time is too scant.

November 27, 1923

Final internal approval of the dies was indicated with dated approval signatures on the die proofs (figure 13-14).



Figure 14: Reverse of approved die with approval markings.



Figure 13: Approved die with signature on November 27, 1923 (unique item).



Figure 15: 2-cent carmine with ABNCo order number F7427

December 12, 1923

The first shipment of 2-cent carmine Canal Zone overprint issues was shipped via the S.S. *Sixaola* from New York to Panama City. The shipment consisted of 1,000,000 issues packed in 2 waterproof cases (Figure 15).

January 28, 1924

The 1-cent green Canal Zone overprint, 500,000 issues in 1 waterproof case, was shipped via the S.S. *Metapan* sailing from New York to Panama City (Figure 16).

February 6, 1924

Remaining portions of the order for Panama and the Canal Zone were shipped from New York to Panama City via the S.S. *Sixaola*. The shipment included 19 waterproof cases (Figure 17). The Canal Zone did not request the fractional ½ cent issue ordered by Panama.



Figure 16: 1-cent Green with ABNCo order number F-7427.



Figure 17: Remaining values ordered by Canal Zone.

February 2-5, 1924

Canal Zone Postal Authorities began filling orders using the 1-cent green and 2-cent carmine.

February 11, 1924

A new earliest known use (EKU) February 11, 1924 of the 2-cent carmine with CANAL ZONE overprint (CZP 220: 31) discovered on eBay in early 2021 (figure 18). This displaced a prior EKU of February 12, 1924. The EKU for the 1-cent green with CANAL ZONE overprint is reported as February 24, 1924 (image needed).

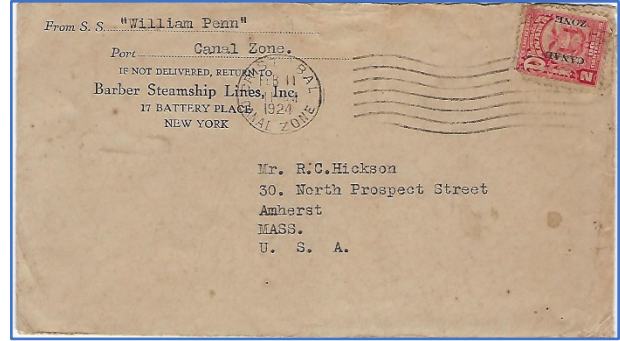


Figure 18: EKU of 2-cent Carmine with CANAL ZONE overprint for February 11, 1924.

April 4, 1924

The EKU of the Arms issue in Panama was April 4, 1924. The cover was from Panama City to Bogota via a SCADTA cover (figure 19).



Figure 19: EKU of the Arms issue in Panama on April 4, 1924 triple rate SCADTA cover.

April 18, 1924

Dr. Eusebio Morales visited the United States including New York and Washington beginning in February. Ehrman said the trip was reported as personal but believed to be related to the new treaty between the countries.

Mr. Ehrman is very much afraid that this new treaty may provide for the use of US postage stamps in the Canal Zone and possibly in the Republic.

(There is no further notation of the possibility of Panama using the stamps of the United States. If anyone has further information, it would be welcomed.)

July 12, 1924

Ehrman wrote to the ABNCo

I am sorry to inform you that the Canal Zone Post Office Authorities decided not to use the Panama Postage Stamps, and since the 1st of July, the United States Postage Stamps are used with the surcharge "CANAL ZONE". Enclosed find specimens. This step was taken in view of the "Taft Convention" which has expired. Regarding the new treaty between the United States and Panama, we are still in the dark. Most likely you will know about it before us.

The overprinted Arms issue and other overprinted Panama stamps had been removed from sale at the post office on July 1, 1924 and replaced with Bureau of Engraving and Printing overprints. The overprinted Panama issues in the hands of the public were valid for postage until July 31, 1924 (later extended to August 31, 1924).

Only the 1-cent green and 2-cent carmine overprints were issued within the Canal Zone. The booklets were never released and not know with the exception of specimens (Figure 20). The 5-cent to 1 Balboa were not officially issued. A total of 600 sets were supplied to Panama for submission to the UPU. At the time, the UPU required 480 copies of each new issue. The remaining 120 sets appeared in stamp dealer stocks within Panama and Europe.



October 23, 1924

Panama requisition for an additional order of the Arms issue for the Republic. This order was filled with stamps from the original F-7427 printing. The 1/2c and 2c represent the 2nd half of the original order. The 1c would bring the total to 350,000 of the original 1,000,000.

Shipped November 18, 1924 on the S.S. Carrillo

1/2c	50,000
1c	100,000
2c	500,000

November 13, 1924

ABNCo to Ehrman

We would bring to your attention the fact that we are holding in stock subject to call a supply of stamps printed on the last order carrying the surcharge: "Canal Zone" as follows:

- 500,000 stamps – B/0.01*
- 1,000,000 stamps – B/0.02*
- 250,000 stamps – B/0.05*
- Total 1,750,000 stamps*

We understand from your letter of July 12th that these stamps will not be used in the Canal Zone. If this is the case, we would like to have some instructions concerning the disposition of same and receive our money for the supplies at this time.

December 8, 1924

Ehrman to ABNCo replied to question on payment for Canal Zone stock.

...for the present the Government cannot decide on the subject until final arrangements are made with the new treaty between the US and Panama.

Figure 20: 1-cent green uncut booklet pane specimen x3

In letters April 15 and 22, 1926 the ABNCo again questioned payment for the overprinted stamps held in stock at a price of \$2,102.50. No further communication regarding the subjection was found in 1926. The stamps were not accounted for in the 1937 burning of the Panama overprint stock, so appears the stock was held and eventually destroyed by the ABNCo.

As Jim Cross before me, I have been exhibiting the Canal Zone overprint Arms issue with a single frame and I am preparing a multiple frame exhibit of the Panama issue. Future articles will look further at the competition with Waterlow, available covers from the short 6 ½ month period the Canal Zone overprints were valid for postage, and usage within Panama. If you can share additional information on this issue's history, please contact the editor.

I appreciate the assistance of Federico Brid and David Zemer on this project. Federico for allowing the use of images from his collection of production material and David for access to his ABNCo communication archive collection.

1. Plass GN, Brewster G, Salz RH. Canal Zone Stamps 4th edition. The Canal Zone Study Group. 2016.

Editor Note: With special thanks to Federico Brid for permission to use production material from his collection and to David Zemer for use of his ABN Co correspondence archive. Without their support this article could not be written.

Wanted to purchase large postal history collections of Panama prior to 1953. Please send description, price, and contact information to Brad Wilde at bgwndal@gmail.com. Thank you.

LATIN AMERICAN PHILATELICS
P. O. Box 56194, LONDON, E17 0GF, GREAT BRITAIN



Specialising in Latin America & British Commonwealth

WE RUN REGULAR ALL WORLD POSTAL AUCTIONS FEATURING STAMPS, POSTAL HISTORY, POSTMARKS, PROOFS, ERRORS & VARIETIES

WRITE OR EMAIL FOR OUR FREE CATALOGUE: latamphil@btinternet.com

Visit our Website for our latest offers

www.latinamericanphilatelics.com

COPAPHIL OFFICERS

President	Larry Crain	larry.crain@gmail.com
Vice President	Vacant	
Secretary	Scott Schaffer	schaffer_s@sbcglobal.net
Treasurer	Allan Harris	HPEXCHANGE@aol.com
Webmaster	Patrick Lamastus	patrick@iCollectPanama.com
Editor	Brad Wilde	bgwndal@gmail.com

OVERSEAS REPRESENTATIVES

Europe: Malcom Bentley	Malcolm.bentely1@ntlworld.com
Panama: Dr. Ernesto Arosemena	kikoaro@cableonda.net
Colombia: Santiago Cruz	Sccollectibles2003@yahoo.com