

# The 1924 Arms Issue of Panama

The exhibit details the production and use of the Coat of Arms issue produced by the American Bank Note Company (ABNCo) for the Republic of Panama in 1924. The issue was the primary definitive from 1924 until the mid-1940s and was commonly utilized into the early 1950s. The issue was used prominently on first flights of the 1920s-1930s and correspondence from tourists and military personnel traversing the Panama Canal.



## Treatment

The 10-frame hybrid traditional and postal history exhibit opens with the development of the Arms issue for use in Panama. This is demonstrated with a display of the sunken die proofs (**1 of 4 sets**) and proofs of the ten denominations produced by the American Bank Note Company (ABNCo).

The need for the issue was discussed in the Republic of Panama in January of 1923, with an official request for designs and pricing issued on May 28, 1923. The issue would be used within Panama and overprinted for the United States Panama Canal Zone (CZ). At the time of design and issue, Panama provided postage stamps to the CZ at 40% of face value to satisfy the Taft Agreement of December 3, 1904, with the United States of America (USA).

This issue became an important line in the sand for the ABNCo as they attempted to maintain their dominance in secure document production for Panama and the CZ.

Competition with Waterlow & Sons of England resulted in ABNCo taking the initial printing at a loss to maintain the relationship. This was discovered by the author through a review of the ABNCo-Panama communication archive obtained through the sale of ABNCo material. The article was published in both the *Canal Zone Philatelist* and *COPACARTA*.

The look at production closes with specimens from the 37 different print orders Panama placed with the ABNCo from 1923 to 1945. Previous reports by Cross listed 33 printing.

**Through the personal review of the ABNCo communication archives, I determined there were 37 orders and associated order numbers.**

The use of the Arms issue to pay domestic, Postal Union of the Americas and Spain (PUAS), and Universal Postal Union (UPU) rates of the time is reviewed. From the early 1900s and reaffirmed with a decree in 1920, Panama, the USA, and the CZ exchanged mail at the domestic rate. On April 1, 1929, the local rate was extended to all members of the PUAS.

Seven of the ten values had additional print runs as late as September 1945. The issue was used as postage into the early 1950s and overprinted for commemorative and functional purposes over the 20-year period. One major overprint error occurred when 3 sheets of 1/2 centesimo orange were overprinted instead of 50 centesimo orange in 1936. **One of the few available copies used on piece is displayed.**

## Importance

The two major metropolitan areas of Panama bordered the CZ at the openings of the canal. Panama City was adjacent to Ancon, CZ on the Pacific coast, while Colon and Cristobal, CZ were found at the Atlantic entry. Ninety percent of

Panama's populace lived within these metropolitan areas in the 1920s. Panamanians, residents of the CZ, tourists, and military personnel had access to post offices in both Panama and the CZ.

This proximity to a major maritime crossing led Panama to become a communication hub for tourists and military personnel from around the world.

Panama was a jumping point for many early first flights of the mid-1920s to early-1930s. The exhibit includes important flights such as two covers from the **Major Herbert A Dargue Goodwill Flight of 1926-1927** which included 29 stops through Central and South America and the Caribbean. The May 29, 1926, Almirante, Panama—Balboa, Canal Zone flight cover is **1 of 3 covers that was not confiscated** upon arrival in the Canal Zone by postal officials due to unauthorized use of the “Via Air Mail” marking.

### Rarity & Condition

Issued over 95 years ago in a tropical environment, most covers and postcards show signs of wear, including stains, tears, and toning. The material displayed in the exhibit was selected for the rarity of rate, destination, or originating post office.

Domestic covers and postcards, particularly registered covers prior to the 1940s are scarce as it was custom to dispose of all possessions when a person in Panama passed away.

The use of the higher denominations on cover is scarce as they would more commonly have been used for parcels. In the exhibit, you will

find 24 centesimos (4 of 5 known covers), 50 centesimos (5 of 6 known covers), and 1 Balboa (2 of 4 known covers) on cover. This includes **newly discovered 24 and 50 centesimos postally used covers discovered by the author. Only the 2nd known non-philatelic use for each**, as reported in *COPACARTA*.

Additional scarce items include the **unique use of an Arms issue on a parcel tag** at the printed matter rate, the **earliest known use of an Arms issue on cover**, the **only known use of an Arms issue as a revenue**, a **large parcel piece**, and the **only known use of an Arms issue to pay postal fees on a registered mail investigation request**.

What you will not find in the exhibit are rejected essays from ABNCo and Waterlow. These are unique items that have not been on the market since the mid-1990s.

### Research

This exhibit displays knowledge gleaned from written references, viewing collections, and correspondence with the major collectors of the Panama Arms issue.

The review of the ABNCo archive has uncovered a wealth of information as described in this document and the exhibit.

My research in this area continues as I review the ABNCo document archives related to this issue. A future article will appear in the *Canal Zone Philatelist* and *COPACARTA* looking at the competition between the ABNCo and Waterlow & Sons for the printing contracts in Panama.

### Bibliography

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