THE CZECHOSLOVAK SPECIALIST

Official Monthly Journal of the

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A.P.S. Unit 18

S.P.A. Branch 284

Vol. XLIV

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No. 9, Whole No. 424

CZECHOSLOVAKIA'S GREATEST PHILATELIC SCANDAL COMES TO LIGHT

INTRODUCTORY NOTES by J. J. Verner

The editors consider the following article of major importance to collectors of Czechoslovak stamps. It is published not only for its intrisic interest, but also to protect collectors from fakes that are currently on the philatelic market. These fakes have been demanding, and getting, high prices. First appearing in Czechoslovakia, they quickly found their way to Western Europe. The following article is, to our knowledge, the first published in the West on the subject and the first listing of the stamps that were reproduced. We recognize that the article is not as complete as it might be, but its importance is such that we are publishing it as submitted to the SPECIALIST.

Given the above observations, a few additional comments may be in order. I happened to have been in Czechoslovakia at the time that this case broke; at a time that the events around it were the talk of the philatelic "town". The following article is accurate, but incomplete. The story of how this scam was perpetrated on the philatelic community is far more dramatic than implied in the following article. I spoke about the case to many philatelists, including the President of the Czechoslovak Philatelic Union, and the story I was able to piece together indicated that the number of people implicated in the attempt to defraud collectors was considerably greater than the mechanic at the printing plant.

From the information available to me, it is clear that the king-pin in the philatelic scam described in the following article was not the printing plant employee, but a well-known Prague collector who was awarded a large Gold at Praga 78. Available information indicates that he organized the dispositon of the fakes through other collectors in part, but primarily via the system of philatelic bourses that are held in Czechoslovakia. The procedure was that the impressions produced clandestinely in the government printing plant were sold outright for a modest sum to the collector in question, who then disposed of them through his channels at a very large profit. It is said that the producer of this material was not very knowledgeable about the philatelic desirability of one or another issue. It seems very likely he was told what to produce by his collector associate. It is not clear from the information I have just how many were implicated in the web that was spun, but it probably included some who were not aware of what they were involved in. It is known that a lot of collectors ended up with this material in their collections.

It should also be said that my information indicates that the police moved quickly and efficiently to break up this counterfeiting group once it had come to their attention. However, there are questions that remain without satisfactory answers. The security at the Government printing plant was obviously very lax and made this scam possible. The mechanic-producer is said

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Changes of address to the editorial office.

to have worked at night and his official responsibility was to service the presses. Apparently he had little difficulty getting his hands on discarded original plates since they were often "thrown on piles in corners" of the work rooms. One would doubt that this conformed to standard procedures in a security printing plant.

On several occasions I have urged Ing. Ladislav Dvoracek, the President of the Union Of Czechoslovak Philatelists, to arrange for the publication of this story and the events leading up to it; such publication was important to collectors of Czechoslovak stamps to insure that they did not become victims of this scam. I especially urged that a detailed listing of what was produced, or at least what is known to have been produced (as the article points out, the police confiscated large quantities of the fakes), including the colors and types of impressions, be made public. From the illustrations in the article, readers will see that impressions were not only of completed stamps, but also those from various stages in the printing process. It is disappointing that the Union of Czechoslovak Philatelists has not yet seen fit to prepare such a publication. It is my view that it is their responsibility to put all available information about this scam onto the public record.

The editors of the Specialist consider it their responsibility to the hobby, and especially to the collectors of Czechoslovak stamps, to seek further information on these fakes. We urge the Czechoslovakian authorities to assist us in our efforts to complete the record.

PRIVATE PRODUCTION OF COUNTERFEIT TRIAL PRINTINGS OF CZECHOSLOVAK STAMPS

by Zdenek Kvasnicka

Several collectors of Czechoslovak stamps abroad have obtained proofs of various Czechoslovak stamps and have been told that these proofs are counterfeit. Several of these collectors have asked me to inform them of what happened, what exactly we are talking about, and just which proofs had been counterfeited. It is well known that philatelists, especially abroad, seek and collect various production oddities and trial printings with considerable enthusiasm. Such oddities have always existed, at least in limited quantity.

At issue this time are illegal activities by several employees of the government printing plant as well as by some "collectors" who participated in the distribution and sale of pilfered or manufactured material. It all began when it was learned that there existed a printed, but unissued, commemorative sheetlet with the picture of President General L. Sovoboda as well as the

presidential flag. The entire printing was withdrawn for political reasons, "reasons of state", and was to be destroyed. However, a few copies of the sheetlet appeared on the philatelic market and brought exhorbitant prices. This information was conveyed to the police authorities, who pursued the case diligently until they were able to turn it over to the courts. The investigation determined that some of the unfinished printings and errors from the printery and unauthorized production resulted in so-called "trial printings". It also showed that there were considerable hangers-on who, by trafficking this material, achieved considerable incomes. The courts levied heavy jail sentences and fines on the guilty.

Illicitly produced impressions of discarded plates are of great interest to collectors because they have been appearing on the philatelic market for some time — and in considerable quantities. They were produced by an employee of the printery who worked there as a mechanic. He "appropriated" discarded or faulty material in the printing plant which he used to produce impressions on a hand press located in his work room. He then sold the impressions so produced to middlemen. Even though original materials were used, (both paper and ink), we must, from a philatelic point of view, consider these impressions as forgeries, privately produced. The police confiscated about 6000 pieces of these impressions, but the total number must be greater, as they had been on the philatelic market for some time. The material from the printery has also been secured, and the plates from which the impressions were made were destroyed following the trial. The producer of these impressions was sentenced to four years in prison and fined 50,000 Czechoslovak korunas.

The Union of Czechoslovak Philatelists also took an uncompromising stand in this affair. The Central Committee of this organization, at its second session in Brno on April 19, 1980, ruled that henceforth all unissued printings of valid stamps and especially any reprints of such stamps would be banned from all exhibits, catalogs and sale at exchange sessions.

It is possible to divide the material in question into three groups:

- 1) unfinished or unissued printings;
- 2) printer's waste;
- impressions illicitly produced by employes of the printery from discarded plates.

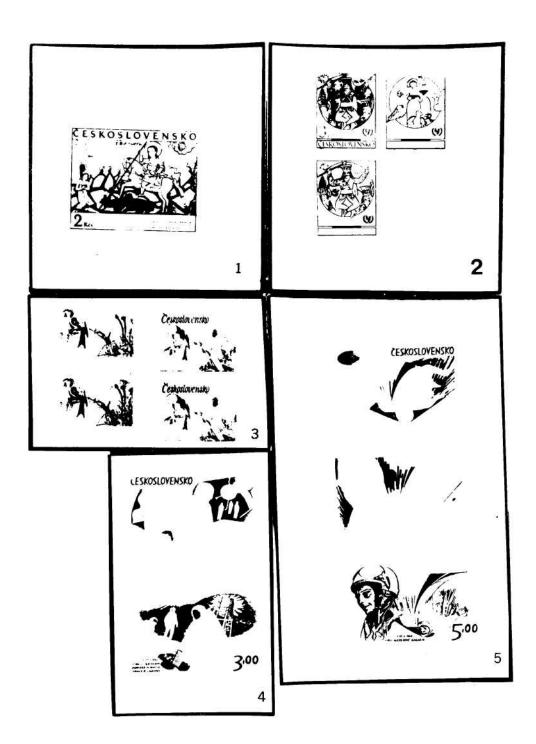
In the unfinished category, we must include stamps or sheetlets that were not issued, stamps that were not perforated though they should have been, various trial printings, and so on.

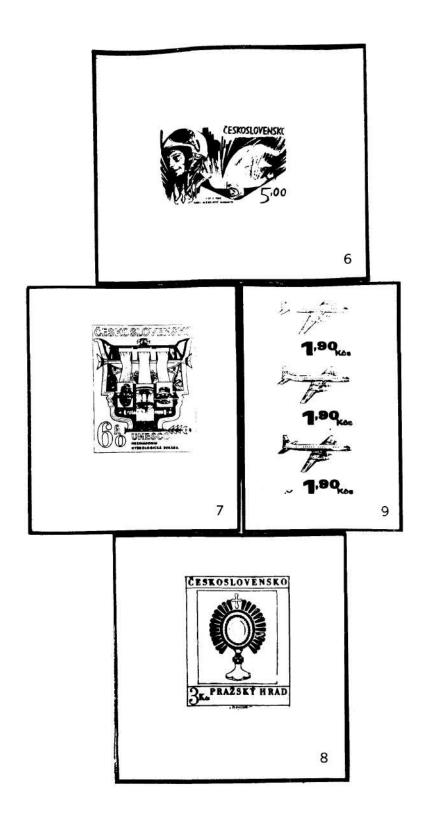
Errors and printer's waste were discards of the stamps depicting Television and Prague Windows (No 2201-5*).

^{*} All numbers in this article are from Ceskoslovensky specializovany katalog 1978.

There are about 45 varieties of forgeries produced in this fashion. A few of these are depicted in the accompanying illustrations. Listed below are the catalog numbers of the stamps from which the various impressions were made.

```
1693 Art. The entire sheetlet of 4 stamps
1747 Tatra National Park, 1.60 kcs
1815 1970 Art set, the 1 kcs value
1826 Slovak Primitive Ikons, 60h value
1827 Slovak Primitive Ikons, 1 kcs value (Figure 1)
1828 Slovak Primitive Ikons, 2 kcs value
1829 Slovak Primitive Ikons, 2.80 kcs value
1860 1971 Prague Castle set
1861 1971 Prague Castle set, both stamps with 3 kcs value
1888 1971 Art series, 1 kcs value
1892 1971 Art series, 2.40 kcs value
1893 UNICEF, the entire sheet of the 60h value
1895 UNICEF, 60h value
1895 UNICEF, 1 kcs value
1898 UNICEF, 2 kcs value
1899 UNICEF, 3 kcs value (Figure 2)
1919 Czech and Slovak Print series, 1.60 kcs value
1926 1972 Prague Castle, 3 kcs value
1927 1972 Prague Castle, 3 kcs value
1950 Riding series, 1.80 kcs value
1955 1972 Art series, full sheetlet of 1.20 kcs
1955 1972 Art series, 1.20 kcs value
1958 1972 Art series, 2.40 kcs value
1962 Birds, 1.60 kcs value
1963 Birds, 2 kcs (Figure 3)
1964 Birds, 3 kcs
1984 1973 Space series, 3 kcs value (Figure 4)
1985 1973 Space series, 3.60 kcs value (Figure 4)
1986 1973 Space series, 5 kcs value (Figures 5 & 6)
1991 1973 Prague Castle, 3 kcs value
1992 1973 Prague Castle, 3 kcs value
1977 1973 Flower series, 60 h value
1998 1973 Flower series, 1 kcs value
2012 Max Svabinsky, 1 kcs value
2038 UNESCO, 60 h value (Figure 7)
2042 UNESCO, 2 kcs value
2044 1974 Prague Castle, 3 kcs value
2045 1974 Prague Castle, 3 kcs value (Figure 8)
2060 Shooting Target, 1.60 kcs
2063 Bratislava Gobelin, 2 kcs value
2075 1974 Art series, 1 kcs value
2076 1974 Art series, 1.20 kcs value
2077 1974 Art series, 1.60 kcs value
2094 Folk Custom, 2 kcs value
L 77 50th anniversary of Cs. Airlines, 1.90 kcs value (Figure 9)
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SEPAD '82 - COME AND GONE

SEPAD '82 in Philadelphia was the site of the Society's 1982 Convention and Exhibit. Spanning the October 8-10 week-end, SEPAD was a well organized and smoothly executed show.

The center of the Society's activities was our table on the floor of the show, where two beautifully designed Society cachets were sold. The Society's cachets commemorated the "YEAR OF THE SCOUT", and recall Czechoslovak Scouting's memorable days in the tumultous period following the establishment of Czechoslovakia's independence. In that period, Scouts performed an invaluable mail courier service, greatly facilitating communication between offices of the newly established government as well as providing civilian mail service throughout Prague. One cachet depicts the 10h blue Scout stamp while the other pictures the 20h red stamp - both in their original color. The post mark "POSTA SKAUTU - SEPAD _____/___ 1982" was designed to simulate the postmark used in 1918, when the Scouts wrote the date into the postmark by hand.

Each cachet cover is also postmarked with the regular SEPAD show cancel, thus providing a dual souvenir.

A limited number of 2-cover sets and individual covers similar to the one illustrated below are still available from RICHARD MAJOR, P. O. BOX 4074, Arlington, VA 22204. The cost is \$1.00 per cover, or \$2 for the set of two. Please add 20¢ postage for ANY number of covers ordered up to six (6) covers, which is our limit per member. Incidentally, your exchange partners in Czecho and all Scout topicalists will be delighted to receive this lovely Scout souvenir with their Christmas card.

A "first" as our Society Conventions go was the JOINT meeting at SEPAD of three national Societies having a common philatelic heritage as part of the old Hapsburg Empire. Thus, for the first time the Austrian, Czechoslovak and Hungarian Societies met and exhibited in one place; to the joy of all collectors of the classical forerunner and 1918 transition periods.



Not all was letter perfect. The Hungarians applied for frames too late and hence only a few made it. Also, there was no speaker representing the Hungarian Phil. Soc. at Saturday's seminar, which featured J. J. Verner's comprehensive lecture on the 1918 Czech Scout Issue - the subject of the Society's cachet - and Richard Greene's exhaustive presentation on the Austrian Inflation Issues. Both presentations were made to a "standing room only" audience.

The lecture program was followed by a brief general meeting of the society, which in turn was followed by a cocktail party hosted jointly by the Riccios and the Hahns with lots of help from our "ladies auxiliary". The upstairs suite was bursting with sons, grandsons and granddaughters of citizens of "Old Austria", elbow bent on philatelic reunification.

But all was not partying. Some serious philatelic business was transacted at the Society's table which served not only for the sale of literature and cachets but also as a spot where friends from distant places met to do their "thing".

Some came for the dealers - some for the exhibits. Some to see - some to show. Altogether some sixteen exhibitors representing the three (Austrian, Czechoslovak and Hungarian) Societies are listed in the show catalogue, though not all were necessarily entered in Section 3 of the show, reserved for the three "Country Collections". Some were to be found under "Postal History". Since many of the "Country" exhibits contained postal history as well, and most of the postal history exhibits were "Country" exhibits containing some non-postal history elements, the judges placed relatively little significance on location or classification of a particular exhibit.

The Jury Committee included Messrs. Fred Barovick, Jesse D. Boehret, Henry Hahn, Phillip Ireland, Otto A. Schaffling and Robert J. Stets. John Livsay, Charles F. Mandell and Michael E. Ruggiero served as Apprentice Judges.





Elbow Bending SCPers (from left) Paul Sturman, Vladimir Fleischer, Evelyn Lehecka, Vladimir Fischmeister, Dick Major, Natlie Riccio, Tom Austin, Lois Verner, Bud Pearce and Mirko Vondra (in hiding).

As expected, exhibitors representing the Society captured more than their share of awards. In spite of the absence from this show of some of our recent international exhibitors, several exhibits of both past and future "international caliber" were present. The following is a listing of awards received by SCP members:

Bronze: NONE!

Silver Bronze: Some Covers and Postcards from Czechoslovakia - T. M. Austin
(San Jose, Costa Rica)

Postmarks on the First Issue of Czechoslovakia - T. M. Austin (San Jose, Costa Rica)

Occupied Sudetenland - I. Baty (Auckland, New Zealand)

Silver: "CZAUCH" - Richard Green (Livingston, NJ)

Secret Engraver's Marks on Czecho. Stamps - Joseph Stein, (San Diego, CA)

Vermeil: Carpatho - Ukraine: 1840-1970 - Dominick Riccio (New York, NY)

Hradcany Issues of Czechoslovakia - C. J. Pearce, (Coalgate, Okla)

Gold: Czechoslovakia Air Mail - J. L. Klein (Wanssenaar, Netherlands)

K. U. K. Marinenfeldpost - Richard Major (Falls Church, VA)

Czechoslovakia - J. J. Verner (Bethesda, MD)

Turkey - Stamps, Covers, Postmarks, Locals - Gordon Torrey (Washington, DC) The Mail in Prague 1527 - 1875 - Frank Kohn (New York, NY)

Special Awards by the Society were presented as follows:

First Place - Illuminating Desk Magnifier - J. J. Verner

Second Place - Framed Copy of Picasso Self Portrait with Miniature Sheet
J. L. Klein

Third Place - Desk Thermos/Pitcher - D. J. Riccio

The Postal History Society and Ruth Engel Award were presented to F. Kohn.

Members of the Austria Philatelic Society wining major awards included

Dr. Ernst Theimer (Society President) who received gold and SEPAD Grand Award

for his showing of "Classical Austria with Lombardy - Venetia".

Mr. Stephan I. Frater of the Society for Hungarian Philately received a Gold Award for his excellent showing of "Imperforate Stamps of Hungary 1871-1945".

A random selection of pleased SCP exhibitors is shown below:



Dick Major - K. U. K. Marinefeldpost.



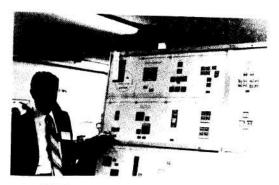
Sunday Morning Brunch - SCP's Hardy and Durable



A Drink with our SEPAD Hosts



Hans Klein (left) of Wassenaar, Netherlands enticing Fred Hefer (right) just in from Tokyo as Dom Riccio of New Y 'k and Paul Sturman of Arlington witness the Big Cover Deal.



Bud Pearce - Hadcany Issues of Czecho



Dom Riccio - Carpatho - Ukraine



Joe Stein - Hidden Engraver's Mark

Presentation of SEPAD awards took place at the Saturday evening banquet, where SEPAD Gold and other top SCP exhibitors received their due amidst the banquet's largest (and noisest) cheering section.



J. L. Klein - SEPAD Gold

The Society's official program of a busy week-end's activities ended with a Sunday morning brunch.

The morning's honored guests included SEPAD Director and Convention Coordinator Diane Boehret and her husband, Judge and Chairman of the Jury Selection Committee, Jesse D. Boehret. Diane is also the 1982 NAPEX Grand Award winner.

Society Awards were presented to the above mentioned winners by SCP President, Henry Hahn who also thanked the Boehrets and SEPAD's organizers for graciously hosting our Society.

In closing, recognition and thanks were given to the many members of our Society who helped by manning our table, hostessing our party, and otherwise helping make SEPAD '82 a memorable week-end. Special thanks went to Dom Riccio for his fine organizational work as our Society's SEPAD Chairman.

FROM THE PRESIDENT'S STOCK BOOK by Henry Hahn

Now that SEPAD '82 is behind us - though some pleasant memories will continue to linger - we have already turned our attention to our 1983 Convention and Show, which is scheduled for BALPEX '83 at Hunt Valley, MD (of current football negotiations fame) on Labor Day week-end. BALPEX has been the site of some of the Society's best attended shows. The "Country Club" atmosphere at the Hunt Valley Inn - with swimming and tennis - and the fine organization for which BALPEX is well known will make this a super event. We have already taken steps to have the Austria Philatelic Society and the Society for Hungarian Philately join us - a "tradition" established at SEPAD '82. Dr. Ernst Theimer and Otto G. Schaffling, Presidents of the respective Societies share my enthusiasm for such joint meetings which enable our members to exchange and share their knowledge in the overlapping areas of interest. What we are now looking for is a sharp BALPEX '83 Chairman and a good cachet theme.

At its Board meeting at SEPAD, your Society Officers and Board Members gave generously of their time and effort to plan the Society's activities for the coming year. Seven out of ten Board Members were present. Our future plans include participation in the U.S. International Show in Chicago in 1986, possibly future reduction in the postal insurance members must pay for circuits and other items designed to provide improved service to our membership.

The Society's greatest challenge is to increase membership in 1983. A mechanism for contacting Czecho collectors who are not yet members of our Society has been established. However, the key factors are members themselves — and I call upon every one to enlist at least one new member in 1983. Application forms are included in this issue — PLEASE KEEP THEM HANDY!

CHANGE OF ADDRESS

1353 - Szilagyi, Paul J., 1277 Jefferson Blvd., Warwick, RI 02886 NEW MEMBERS

- 1358 Titterton, Peter L., 10 Eynard Impasse, Brackley, Northants NN13 6LB
- 1359 Vaclavik, Peter, 2240 Lofty Heights Place, Reston, VA 22091
- 1360 Gavin, Richard A., 80-27 167th St., Jamaica, NY 11432 (Patron)
- 1361 Stook, Jack, 1351 N E. 191st Street, No. Miami Beach, FL 33179
- 1362 Hujer, Adolf, Polska 3, 120 00 Praha 2, CZECHOSLOVAKIA
- 1363 Day, James M., 5244 W. Sunnyside, Glendale, AZ 85304
- 1364 Bubak, Vladimir, 22 Murray Hill Ct., Kitchner, Ont. N2E 1N9, CANADA
- 1365 Foligno, Joseph A., Jr., 80 Roland Ave., South Orange, NJ 07979

DUES 'R" DUE

The time has again come when we must ask for your dues. In spite of continuing inflation and rising costs of printing and mailing, our dues structure remains the same as last year: \$15 for REGULAR MEMBERSHIP, \$25 for PATRON MEMBERSHIP, and \$3 for YOUTH MEMBERS (under the age of 18). Members outside the U.S. please add postage surcharges as shown on the enclosed payment slip.

Issues of the SPECIALIST are bound every second year and provided to PATRON MEMBERS without charge. As an inducement to have REGULAR MEMBERS switch to PATRON MEMBERSHIP, new PATRON members will receive bound 1982 with 1983 issues even though they were patron members in 1983 only.

As you know, there is no paid help in our SOCIETY. Each letter to a delinquent member takes time, which one of us must take away from the precious hours we have left to spend on our hobby. Hence <u>PLEASE</u>, send us your payment <u>NOW - before</u> you forget or misplace the payment envelope. And while you are at it, add a couple of dollars for our DR. WM. REINER - DEUTSCH MEMORIAL FUND. This fund is helping to cover our extra publication expenses, such as last year's SPECIALIST INDEX and to subsidize a few of our members who find our dues to be a financial hardship. Our policy is not to lose <u>even one</u> old time member because of dues alone.

Checks should be issued to the SOCIETY FOR CZECHOSLOVAK PHILATELY, INC. and should be mailed with the filled-out slip directly to our Treasurer,

Col. Ludvik Z. Svoboda 12375 E. Cedar Circle Aurora, CO 80012

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- 1) They's give you a glimpse into the heart of Europe
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- 3) You'll marvel at the beauty of Czechosicvalists countryside, extolled by its artists and poets
- 4) You'll become acquainted (or reacquainted) with the old cultural tradition of the Czech and Slovak peoples
- 5) You'll learn of the characteristic fauna and flora of Central Europe
- 6) You'll keep up with the latest in Czechoslovakia's industrial and scientific development, including advanced research
- 7) You'll love their motion like illustrations of the colorful world of sport
- You'll see why Czechoslovakia has gained international recognition for its advanced techniques of stamp reproduction, harmony of color and outstanding artistry
- 9) They represent the work of their finest artists and engravers
- 10) Czechoslovakia's stamps are neither too large or small just stamps as stamps should be!

ASK YOUR FAVORITE DEALER!