

MAKING THE GRADE

The 1856 “Upright 5” Gold Dollar

Establishing relative scarcity for varieties of the same date and denomination is not an easy task.

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DESPITE YEARS OF research by numismatists, some U.S. coin varieties and denominations remain misunderstood and their scarcity under-appreciated. How can collectors distinguish varieties and determine their relative scarcity and, therefore, value? The 1856 “Upright 5” gold dollar is a case in point.

The U.S. Mint introduced the Type 3 gold dollar in 1856, a year of transition at its Philadelphia facility. Two gold dollar varieties produced there that year reflect the changeover in the style of numerals used in the date, distinguished by whether the 5 in 1856 is upright or slanting.

Errors and omissions add to the confusion surrounding the relative scarcity of the “Upright 5” versus the “Slanting 5” variety. To accurately estimate the scarcity of each variety, it first must be accurately identified. Four simple diagnostics characterize the “Upright 5” 1856 gold dollar:

- 1) The left and top bars of the 5 are perfectly perpendicular.
- 2) The date logotype containing the 5 does not lean toward the 6.
- 3) The date logotype containing the 5 does not lean away from the 8.
- 4) An invisible line connecting the

loop of the 5 is vertical.

The 1856 “Upright 5” gold dollar is a real hidden gem for collectors. The catalog of the March 15-16, 2000, sale held by Stack’s of New York City (Lot 37) notes that these coins “are many times rarer than their ‘slant 5’ counterparts. Indeed, pieces at the Mint State and higher level are quite scarce.”

While no proof example of the “Upright 5” has been certified, Stack’s offered for sale a specimen (Lot 1085) described as a brilliant proof in its October 20-22, 1992, auction of the Floyd T. Starr Collection of U.S. coins. The lot description concluded:

Even in business strike format the Upright 5 variety is rare. David W. Akers wrote in 1975 that it was five to ten times rarer than the commonly seen Slanting 5 variety. Mint-age figures show that this estimate is conservative.

Records for auctions conducted in the 1990s by Stack’s, Heritage Numismatic Auctions, Superior Galleries, and Rarcoa/Akers list only a dozen appearances of uncirculated 1856 “Upright 5” gold dollars. Some transactions may involve the same coins featured in other sales. ©

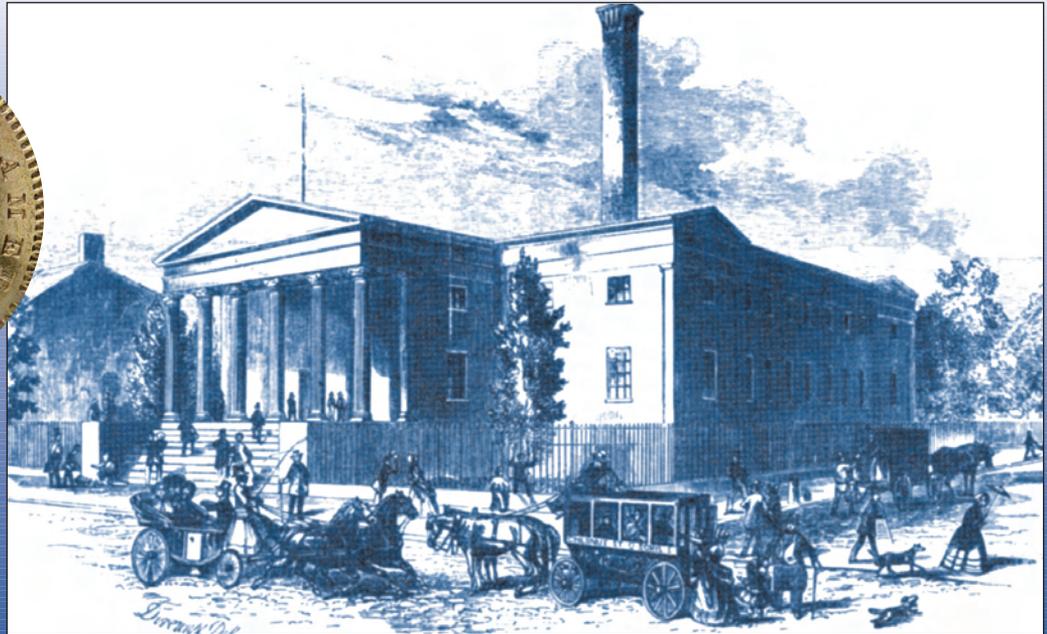


▲ U.S. gold dollars minted in 1856 have either a “Slanted 5” (top) or an “Upright 5” in the date.

Actual Size: 15mm



► The Philadelphia Mint likely struck "Upright 5" gold dollars in the last quarter of 1856, after all "Slanted 5" dies were exhausted.



Numismatists seem to concur that the 1856 "Upright 5" gold dollar is a scarce variety. J.P. Martin, who helped found Independent Coin Grading Service (ICG), has suggested that it could be 10 to 15 times scarcer than its "Slanting 5" counterpart. In his 1975 book *United States Gold Coins, An Analysis of Auction Records*, author David Akers reported an average grade of Extremely Fine-40 and a mintage of 33,660 for the 1856 "Upright 5," commenting:

The data shows that there were 85 appearances of the 1856 gold dollar with Upright 5, and 169 of the 1856 Slanting 5. This, of course, would seem to indicate that the Upright 5 variety is only twice as rare as the Slanting 5 variety. This ratio does not match my own experience, however, and I would estimate that the Upright 5 variety is more likely five to ten times as rare.

For the 1856 "Slanting 5," Akers assigned a mintage of 1,729,276, adding, "This is one of the three or four most common of all Type [3] gold dollars." He also reported 23 "No Designation" examples, that is, coins for which no variety was stipulated. "Most of them," Akers believed, "were

undoubtedly the Slanting 5 variety."

Mintage figures hold a clue to relative scarcity, but numbers provided by Akers and researcher Walter Breen may be incorrect. They reported a mintage of 33,660 for the 1856 "Upright 5" gold dollar. Ken Bressett, editor of the "Red Book" (*A Guide Book of United States Coins*), disagrees, stating no concrete evidence has been presented to corroborate the estimate.

From its inception, the Red Book recognized both "Slanting 5" and "Upright 5" varieties for the 1856 gold dollar. From 1967 to 1990, the popular guide stated 1856 gold dollar mintage as 33,660 "Upright 5" and 1,729,276 "Slanting 5." From 1963 to 1966 and 1991 to 2004, however, it gave only a combined mintage of 1,762,936.

Other publications also have tended to confuse collectors by listing combined mintages. For example, *2000 North American Coins & Prices*, edited by David C. Harper, reports mintage of the 1856 "Upright 5" gold dollar as 1,762,936 and "Inc. Ab." (Included Above) for the "Slanting 5" variety. Without the use of brackets or parentheses, readers might misread it as saying 1,762,936 "Upright 5" gold dollars were produced in 1856.

Calculating the original proportion of "Slanted 5" to "Upright 5" 1856 gold

dollars minted would be a first step in establishing their current relative scarcity. Dividing the Red Book total mintage (1,762,936) by Breen/Akers' "Upright 5" mintage (33,660) equates to production of 52.37 "Slanted 5" for every "Upright 5."

This ratio differs significantly from Breen's estimate that the "Upright 5" was 8 to 10 times scarcer and Akers' 5 to 10 times scarcer. Why, then, doesn't the original mintage reflect a similar ratio?

"Upright 5" gold dollars likely were produced in the fourth quarter of the year, after "Slanting 5" dies were exhausted. Production of slanting-date coinage ceased for all varieties after 1856, perhaps the result of an administrative decision to standardize denominations. But according to numismatist Julian Leidman, "Nobody outside the Mint in 1856 likely paid any attention to nor cared whether the date logotype on the reverse of the 1856 gold dollar was upright or slanting."

Can we trace the difference in mintage versus survival ratios to an intervening event? We do know that for a number of reasons, thousands of gold coins were melted during the Civil War. This great meltdown may have impacted the two varieties to different degrees. Or, one variety's survival ratio

For original mintages and survival estimates, collectors should not look exclusively to population reports to answer the question of relative scarcity.

might have been disproportionately impacted by being shipped to the South. After 1853, the New Orleans Mint did not produce gold dollars.

Studying original mintages and published survival estimates, a collector might look to coin grading services to answer the question of relative scarcity. But grading service population reports, which offer data on the number of coins submitted, do not always accurately represent scarcity levels for Red Book varieties.

Variety attribution was not a priority when grading services were established, and imprecision is the inevitable consequence. John Dannreuther, founder of Professional Coin Grading Service (PCGS), says that when his firm launched these reports, “there wasn’t significant price discrepancies between common and scarce varieties of certain US coinage and therefore no demand for reporting submissions of designated varieties in population reports.”

Accordingly, collectors should not rely exclusively on population reporting. In fact, variety designation practices have impacted more than 1,300 PCGS and Numismatic Guaranty Corporation (NGC) submissions of 1856 gold dollars. Until recently, neither service properly designated the 1856 “Upright 5” and “Slanting 5” gold dollars.

Dannreuther reports that at first a decision was made to not differentiate all varieties of the same domination and year. For its first 12 years, PCGS counted all 1856 gold dollars as “Slanted 5s.” Today, the firm notes varietal differences. As of July 28, 2004, PCGS reported submissions of 809 “Slanting 5” and 69 “Upright 5” 1856 gold dollars.

NGC’s April 2004 report showed 303 “Slanting 5,” 85 “Upright 5” and 583 “Undesignated” 1856 gold dollars. Until December 1999, NGC charged

an additional fee for designating “Upright 5” or “Slanted” 5 varieties of the 1856 gold dollar. Its decision to drop this charge helped gold dollar collectors better understand the real population of the two varieties.

From its start, ANACS automatically designated 1856 gold dollars by variety, at no additional charge. As of March 2004, ANACS’ ratio of “Slanted 5” to “Upright 5” 1856 gold dollars was approximately 4 to 1 (241 and 65 submissions, respectively). Dealers and astute collectors know the “Upright 5” is scarcer than its “Slanting 5” counterpart; thus, ANACS has received significantly

properly designated.

The accuracy of population reports in determining relative scarcity also is distorted by “breakouts,” or coins cracked out of their slabs and resubmitted to the same or different grading service. This practice has been customary ever since dealers and collectors realized it could be worthwhile to resubmit a coin in hopes of obtaining a higher grade and, thus, a higher price. While no concrete data exists to absolutely quantify average breakout rates, conversations with numismatists suggest at least 15 percent.

No matter which factors are considered or which estimate you believe to be most accurate, the “Upright 5” clearly is the more scarce of the two 1856 gold dollar varieties. My research indicates it is an extremely undervalued variety because its true scarcity has yet to be fully understood or appreciated by the numismatic community, as demonstrated by today’s market values.

The coin market has embraced the scarcity of the “Closed 3” variety of 1873 gold dollar, as evidenced by prices four to five times greater than the common “Open 3” variety. On the other hand, the 1856 “Upright 5” gold dollar has realized only slightly higher prices in upper grades.

Rediscovery of the true scarcity of varieties undoubtedly awaits collectors and numismatists. Further study of other Red Book varieties may yield new insights. 

Learn More . . .

Akers, David. *United States Gold Coins, An Analysis of Auction Records, Volume I: 1849-1889*. Englewood, OH: Paramount Publishing, 1975. (ANA Library Catalog No. GB10.A3g)

Krueger, Craig, and John W. Dannreuther. “A New Slant on Coins of 1850-56.” *The Numismatist* (June 2003).

INDIAN HEAD TYPE, Large Head 1856-1889					
VF-20 VERY FINE—Curled feathers have slight detail. <i>L</i> smooth at eyebrow, hair below headress and behind bottom curl.					
EF-40 EXTREMELY FINE—Slight wear above and to right end on top of curled feathers.					
AU-50 ABOUT UNCIRCULATED—Trace of wear on feet nearly full luster.					
AU-55 CHOICE ABOUT UNCIRCULATED—Evidence of design high points. Most of mint luster remains.					
MS-60 UNCIRCULATED—No trace of wear. Light marks.					
MS-63 SELECT UNCIRCULATED—Some distracting contaminants in prime focal areas. Luster may be impaired.					
PF-63 ATTRACTIVE PROOF—Reflective surfaces with blemishes in secondary focal places. No major flaws.					
1856, Upright 5	1,762,936	150.	195.	235.	300.
1856, Slant 5	135.	175.	210.	235.	300.
1856D	1,460	3,800	5,750	8,000	11,500
1857	770,789	135.	175.	210.	235.
1857C	13,260	1,000.	1,500.	3,500.	5,500.
1857D	3,533	1,100.	2,000.	4,000.	5,000.
1857S	10,000	500.	600.	1,100.	1,800.
1858	117,995	135.	175.	210.	235.
1858D	3,477	1,100.	1,600.	2,850.	4,500.
1858S	10,000	350.	550.	1,300.	1,750.
1859	(80)	168,324	135.	175.	210.
1859C	5,235	1,200.	4,952	1,200.	
1859S	15,000	250.			
1860	(154)	36,668	145.		
1860D	1,596	2,750.			
1856, Upright 5	1,762,936				
1856, Slant 5	1,762,936				
1856D	1,460				

▲ The 2005 “Red Book” lists the combined mintage for the “Upright 5” and “Slant 5” varieties of 1856 gold dollar.

more submissions of the former, because today the “Upright 5” is beginning to be valued slightly higher than the “Slanting 5,” skewing the ratio.

Application of the ANACS ratio to the “Undesignated” NGC 1856 gold dollar submissions may provide an approximation of how many of these actually are “Upright 5s.” However, for PCGS, the ratio should be applied only for coins submitted before the policy of reporting all 1856 gold dollars as the “Slanting 5” variety was changed. Presumably, all new coin submissions after that time were