

The 'Inverted Seaway' of 1959

by Larry McInnis

This article was published in the Spring 1987 edition of *Opus*, the annual compendium of studies presented to the Académie québécoise d'études philatéliques.

It was the first English-language article to be published by the Académie.

Since the article's publication, a few more facts have been learned, such as the inventory of inverts held by the National Postal Museum. The text has, therefore, been modified slightly to reflect this.

This is not intended as a "learned" presentation, but rather something that may arouse the

curiosity of some philatelist who can and will devote the time and effort in tracking down the rest of the story of Canada's only invert error.

For example, a half-pane of stamps, dry-mounted, was stolen at gunpoint in Montreal in 1980. Is the other half of the pane really in the Royal collection? The postal museum came into existence long after the 1959 error to the Royal collection. A thorough search of Resource Group 3 in the National Archives might provide some more information.

I hope you enjoy this tale of Canada's most famous error. □



The 'Inverted Seaway' of 1959 is Canada's best-known error stamp.

The first Canada-United States joint stamp issue was the modest 5-cent Canadian two-color stamp to mark the June 26, 1959 official opening of the St. Lawrence Seaway. A 4-cent stamp with an identical design was issued the same day by the United States.

There were differences, of course, but outside the design.

- The Canadian stamp is perf 12. The U.S. stamp is perf 11.
- The inscription (in red) at the top of the Canadian stamp is St. Lawrence Seaway-Voie

maritime du St-Laurent. On the American stamp, also in red, it's St. Lawrence Seaway.

- There's the obvious, too: One has Canada in red at the bottom and the other has United States.
- In the centre, blue, design of the Canadian stamp, there's "postage" and "postes", the first vertical and the latter horizontal. On the American stamp it's "postage" vertically.
- In the lower right of the main design of the Canadian stamp is 5¢ while it's 4¢ on the American stamp.

That takes care of the obvious differences. They're necessary differences, considering the requirements of two different countries, one officially bilingual – Canada – and one officially unilingual – the United States. And it seems forever that the U.S. postal rate has been lower than Canada's, which is reflected in the design.

There's another important difference in the design that is minor, but importantly Canadian – the hidden date.

On the Canadian stamp, the date, 1959, is tucked among the waves of the southwestern end of Lake Erie, just to the lower left of the oval showing the American eagle. On the U.S. there are only waves.

A pre-issue article in the June 1959 edition of *BNA Topics* stated the designs had been announced simultaneously in Ottawa by Postmaster General William Hamilton (PC-N.D.G.) and in Washington by the U.S. Postmaster General, Arthur E. Summerfield.

"Except for the necessary differences in captions and denominations," the article said, "the stamps are identical in design, the result of the co-operative efforts of Canadian artists A.L. Pollock and Gerald Trotter, and American artists William H. Buckley, Arnold J. Copeland and Ervine Metzl."

At the time, PMG Hamilton said the joint stamp issue "salutes the opening of a new link in a vastly improved channel for trade and a powerful source of hydro-electric energy for both our nations."

PMG Summerfield said, "These beautiful new stamps worthily commemorate this great development, which will mean so much to world trade and peace."

It's doubtful the comments of either had any bearing on reality, since the Seaway is not a major hydro-electric source, nor has it contributed much to world peace.

The United States Postal Service delivered

126,105,050 stamps, each one boringly like another.

Canada Post ordered only 40 million of its version, but took delivery of 40,110,100 from the printer, Canadian Bank Note Co.

Each was **not** boringly like another.

On Aug. 2, 1959, it was discovered some Canadian Seaways stamps were different - quite different.

Some either had the inscription inverted, as the Canada Specialized Stamp Catalogue claims (that means the red), or the main design (blue) as described in the Scott Canada Specialized which is more commonly accepted, visually if not technically.

It was Canada's first and only invert. It's not the most valuable Canadian stamp by any means, but it's certainly the most interesting, if only in its story.

There can be no argument whatsoever that it is Canada's most valuable invert, and it's the rarest, most scarce and so on. The only invert can easily fit these claims.

Which leads to the natural question: How scarce is it? How many were there?

Let's see what we can determine, from history, and from information received as recently as August 1987.

The first discovery was made in Winnipeg, appropriately the place of business of Kasimir Bileski, who was to be a major factor in the history of the inverts from then on.

PMG Hamilton estimated that only 300 copies of the invert got out to the public. On Oct. 8, 1959, he said such an error would never happen again.

"The printer has adopted an ingenious printing technique to guard against errors in the future," he said.

He was right. There has never been another invert, not from the Seaway stamp printer, Canadian Bank Note Co., nor any other printer. There have been other errors in other stamps, however, but never an invert error.

WINNIPEG FIND

The Seaway invert saga started Aug. 20, 1959 when an office boy for a Winnipeg firm was sent out to buy 30 5-cent stamps. He went to the nearby sub-post office at the T. Eaton department store.

On his return to his office, three of the 30 stamps were placed on envelopes and put into the mail immediately.

As more were to be placed on envelopes, a secretary noticed that no matter which way they were handled, part of the stamp design was upside down.

Every office has at least one stamp collector. The collector noticed the error and went to Eaton's to see if more inverts were available. None were.

In the meantime, the secretary had sent off a fourth envelope franked with an invert, leaving a balance of 26.

The stamps were printed in sheets of 200, divided into four panes of 50.

The "Winnipeg find" now accounted for four mailed and 26 saved, for a total of 30. It must be presumed that the other 20 in the pane were sold in singles or small quantities over the Eaton's counter and went out, the error unnoticed, on regular mail.

On Sept. 11, 1959, a pane of 5 was discovered in postal stock at Winnipeg. H.R. Yorke, director of postal services in Winnipeg, reported it was returned to Ottawa.

This could well be the pane that was broken in two, either in Winnipeg or, more likely, in Ottawa, one half being drymounted for display and the other half reportedly donated to the royal collection.

PETERBOROUGH PANE

On Sept. 12, 1959, the Canadian Press newsgathering service reported that a pane of 50 inverts had been discovered at Peterborough, Ont., by a postal clerk, Melvin Deschamps. It was returned to Ottawa.

This full pane remains intact, marked "Peterborough" on the back. It is the pane that was on display in the Court of Honor of CAPEX 87.

That would account for the two panes that came into the possession of the national postal museum, about which you'll hear more later.

K.E. Eastman, Canadian Bank Note's assistant plant superintendent, said in 1959 that a full sheet of 200 stamps would be in error.

So let's now look at one sheet of 200.

Two panes totalling 100 stamps were discovered in Winnipeg. That leaves 100 more. A pane of 50 was discovered in Peterborough and sent to Ottawa. That leaves 50.

PICTON DISCOVERY

In early August 1959, the inverts turned up in Picton, Ont., and, in fact, may have been the first discovery.

An invert on a postcard and another on an envelope show a cancellation of Aug. 10, 1959. These are included in calculations below.

It indicated at least a pane at Picton.

It's believed that 25 of the inverts were used on Aug. 10, to send out mail from the local Bank of Nova Scotia.

Of the other 25 in the pane, here's what seems to have happened:

The "finder" kept a mint single, gave away a mint single and kept a dated used single.

That's three, leaving 22.

Of the remainder, a mint block of 12, a mint block of 4, a pair and two singles, plus two used - for a total of 22 - were sold for \$21,250 by J.N. Sissons Ltd. of Toronto to Bileski.

Let's add up. That's 30 accounted for in Winnipeg and 20 out there somewhere, for a pane of 50. Another pane of 50 was sent to Winnipeg to Ottawa. That makes up half the sheet of 200.

There was a pane in Picton, 25 sent out on bank mail, 22 sold through Sissons to Bileski and three kept by the finder, which accounts for a total pane of 50.

And there was the pane returned from Peterborough. That's a sheet, for a total of 200 errors accounted for.

On Sept. 15, 1959, the head of the Ottawa philatelic bureau, J.R. Carpenter, reported that an Ottawa collector had brought him a block of six of the inverts.

Nothing more is known about this. It should, perhaps, be discounted. Think about it: How many collectors, finding a major error such as an invert, would run to a postal official and turn it in? It's not plausible.

What is curious, too, is PMG Hamilton's Oct. 8 statement that only 300 copies of the invert got out to the public.

Was he considering the two panes of 50 each returned to Ottawa, one from Winnipeg, one from Peterborough, meaning 300 were out there somewhere for the public?

We've only accounted for one sheet so far, including the two panes returned to Ottawa.

It was curious arithmetic, but pure politics.

If, indeed, some naive collector turned in six inverts, there was clear indication of yet another pane, and therefore another sheet.

Personally, I doubt that six were turned in.

The postal museum has two blocks of 4, a strip of 10 (2 strips of 5) and 7 mint singles, for a total of 25, which we'll examine later. In

any case, there is no block of 6.

That should have been the end of the accounting. Hamilton was in error and only one sheet got out, half of which went to the public and half returned to Ottawa.

But it's **not** the end of the story.

The 25 stamps held by the postal museum do not make up a single pane; they don't seem to fit together, according to a museum official.

Following an article I wrote on the Seaway invert in mid-1985, I received a letter from the well-known American philatelic writer, Herman "Pat" Herst, Jr. He had been a dealer for years and played an important if unknown, role in the "Saga of the Seaway Invert."

JOLIETTE MYSTERY

Herst wrote to me to ask why no one had ever written about the "Joliette find" of the invert.

Herst was a New York dealer and auctioneer who often came on buying trips to Montreal from the 1930s to the 1960s.

Not long after discovery of the inverts became known, a collector in Joliette wrote to Herst, stating he had received a bill from a local utility company that had an invert on it.

Herst told me he wrote to the utility company to determine if they had any left, or where they got them. He admits that his American English was no match for the utility's French, and he wrote to the Joliette collector to say so when he got nowhere.

Herst's story from that time is interesting, but some-what confused by the memory of a person, aged, and ill at the time of writing to me.

Herst told me he met his collector contact in 1961 at North Hatley, during the annual meeting of the British North America Postal Society, which he had just joined.

Herst reported his contact had a vertical strip of 10, which he wouldn't sell. What he had to sell was 20 envelopes, each with an invert affixed. They had been placed on the utility company's bills, but had been "liberated" before mailing.

Herst told me he bought the 20 covers for \$900 each and offered them for sale at \$1,000 each at the BNAPS convention. There were no takers, so he took them back to New York.

Herst figured that since he hadn't been able to sell the uncanceled stamps on cover, he'd remove them. He told me he used Stamplift.

He then advertised them for sale in Stamps Magazine. He took a single ad.

A dealer in New Jersey bought them all at \$1,250 each.

As an interesting aside, Herst said that although he had "sweated" the stamps off envelopes, never once has he seen a Seaway invert offered for sale by a dealer or at auction with a comment about no gum or disturbed gum.

Calculations at this stage showed the "Joliette find" with a strip of 10 retained by the finder, the one received on cover, and 20 on envelopes sold to Herst.

That left 19 unaccounted for, using Herst's calculations.

An article of mine, in the May 19, 1986 edition of *Linn's Stamp News* brought a quick response from Jean Lépine, proprietor of La Boutique philatelique, in Joliette.

On June 16, he wrote to tell me that he had read the article, and he could provide the epilogue, at least about the "Joliette find".

Here is the story.

Rolland Perreault, accounting clerk for Donat Piette Ltée of Joliette, bought a pane of 50 Seaway stamps at Joliet's main post office to use for mailing his monthly statements to customers," Lépine said, "two friends came in - Bertrand Vanasse and Henri Lafontaine."

One, or both, realized something was wrong with the stamps.

On June 16, 1986, Perreault told Lépine the story: Three stamps had already been used on mail that had been posted when the error was discovered, 17 stamps were on window envelopes ready for the mail and 30 were left.

It was Vanasse who sold the stamps on cover to Herst in North Hatley, at \$900 each. Herst was out by three in his recollection when he said he had bought 20.

It's interesting that Herst bought 17 inverts attached to envelopes at \$900 each, which he couldn't sell in Canada, yet managed to sell them in one lot at \$1,250 each with one ad.

The others involved in the Joliette find were not such astute businessmen.

Perreault sold his 10 stamps in New York at \$880 each, U.S. funds (\$912 Canadian).

Lafontaine literally gave away his 20 stamps to Bileski at a mere \$525 (Canadian) each.

That accounts for the full pane of 50.

One of them, obviously not Lafontaine, wrote to Bileski on June 13, 1961, "I read in your advertisement of Mekeel's, June 2 (1961) that you bought almost 90 per cent of all the inverted



Even rarer are used copies of the Seaway invert.

Seaway stamps. Did you ever know that a sheet is supposed to have been found here in Joliette? I think that most of it has not been put into the market. I never saw that sheet mentioned anywhere."

Whoever wrote the letter complained to Herst that he never received a reply.

Now we know why. Bileski bought nearly half the Joliette find at half the price the others were getting.

So, it's time to recap again.

Canadian Bank Note's assistant plant superintendent, K.E. Eastman, knew errors would affect full sheets of 200.

We've accounted for 200, in Winnipeg, Picton and Peterborough.

Now we know of 50 in Joliette.

And what of the 17 stamps sweated from envelopes by Herst? He told me, "There is little doubt in my mind that the ones I got off cover were regummed and sold as mint, for I have never seen any offered with tampered gum."

So what of the 100 we've been told were returned to Ottawa, 50 from Winnipeg and 50 from Peterborough?

The Peterborough pane plus the odd lots (except for a single on display at the Laurier Ave.

postal museum) are stored in a museum vault.

And that adds a new dimension. It has generally been assumed that two full panes were in Ottawa's possession, one from Winnipeg and one from Peterborough.

Since we know the Peterborough pane is intact, why not assume that the Winnipeg pane was broken into two, as I've already suggested, half for the Royal collection and half for display?

So what about the odd-lot 25 the museum holds?

IN ADDITION

The museum's Roger Baird told me he does not believe they were obtained at auction or through any purchase, so should be considered as an addition to the numbers already known.

The dry-mounted half-pane was put on display at Le Salon de la philatélie, a show sponsored by La Fédération Québécoise de Philatélie, held at complexe Desjardins Jan. 23 to 26, 1980, a Wednesday to Saturday schedule.

Early Saturday morning, Jan. 26, the half-pane was stolen by armed robbers.

Official reports, confirmed by postal officials, indicted that two men wearing ski masks to cover their identity, one of them armed with

a shotgun, approached the exhibit about 1 a.m. Jan. 16.

There had been much publicity about the display, setting the value of the half-pane at \$500,000, which was not at all unrealistic at the time. It was the grand era of philatelic investment. During the day, there was one security guard for the exhibit. After hours, there were two guards. Neither was armed.

The postal official who was involved in the 1980 show recently recalled the event.

He said the unarmed security people were quickly intimidated by the armed robbers. One produced a screwdriver and attempted to dismantle the frame where the half-pane was displayed. The screwdriver proved to be too little for such a job.

He then produced a hammer from a jacket pocket and proceeded to break the glass of the frame.

The exhibit was then removed and the pair their escape.

The escape was interesting, according to my informant. By the time the robbery was complete, not only the special guards, but other guards had assembled. For every advance they made, they were confronted with the masked bandit and his shotgun.

The robbery was a complete success.

Was it ordered by a collector who could afford to hire professionals, much like stealing a famous painting? Does the collector look at it today and gloat, as Midas did with his gold?

One postal official told me he thought the robbery might have taken place after the publicity surrounding the highly-valued Seaway inverts, probably by "some kids who thought they could sell it quickly."

I don't subscribe to that theory. The invert pane might have been the most valuable item on display, but it would be the hardest to sell.

NEARLY WORTHLESS

The half-pane was mounted on some material that would make a true philatelist cry. It was, in effect, stuck to a surface that made it a permanent museum display and worthless for the philatelic market.

"Even Pat Herst couldn't do anything with this block," was the way one museum official put it.

There is no doubt there were two sheets of the Seaway invert, 400 stamps. The "Joliette find" proves there was more than one sheet of

200, not to mention the 25 museum stamps.

Now for the final counting: 100 to Ottawa in panes; 25 that got there somehow from somewhere; 50 in the "Winnipeg find"; 50 in the "Picton find"; 50 in the "Joliette find" for a total of 275 of two sheets totalling 400.

Where are the other 125?

There are more than those missing, of course. Of the "Winnipeg find" some 20 are unaccounted for. Of the "Picton find" there are the 25 believed sent through the mail by the bank.

Since the "Joliette find" went unreported until 1985, are there others we haven't heard of yet?

MOST INTRIGUING

It's Canada's most intriguing stamp. It's not the most valuable, but it's the most intriguing.

In the best of times, at the top of the speculation boom of the late 1970s and early 1980s, a copy of the Invert would easily fetch \$14,000 or more.

It's different today.

On Dec. 7, 1986, John W. Kaufmann Inc. of Washington, D.C., in its "Gems of Philately" auction, brought \$6,875 for a mint never hinged copy of the invert.

But how about this?

An invert on cover, described in the Kaufmann catalogue as having its estimated value based as a used copy off cover, brought \$11,550.

I found this interesting because such a prestigious auction firm had chosen to ignore the fact the stamp was on cover and instead valued it as just a used copy. The high price realized was, no doubt, because it was on cover.

At the Feb. 14-17, 1961 auction of Harmer, Rooke & Co., auctioneer Ezra Cole (now a high-class dealer and agent in his own right), got \$2,800 for a "superb, on cover, lightly cancelled copy" of the invert.

This was near the time Herst was paying \$900 on cover, uncanceled. He couldn't get \$1,000 on cover and so sold them at \$1,250 as singles. He should have left them on covers and had his Joliette contact have them cancelled there.

It is surprising that no Canadian specialist has done a study on the Seaway invert. Awards are given at shows to those who exhibit a replating of the one-penny rose of Britain in 1858, but on one has been able to track down the missing, or unaccounted for, 125 Seaway invert stamps. □