

U.S. PROOF COINS & SETS 1936 TO DATE

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A. Preface

What is a proof? The 2019 Red Book ("RB") describes a proof as “[a] specially made coin distinguished by sharpness of detail and usually with a brilliant, mirror-like surface. *Proof* refers to the method of manufacture and is not a grade.” The sharpness results from multiple strikes, often on special presses. RB at 370 also notes that a proof can usually be distinguished by a “high wire edge”, which is better called a square edge that is perpendicular to the edge of the coin instead of being rounded off or beveled. Proofs with mirror-like fields and fully frosted devices are referred to as "cameos" or "deep cameos" depending on the intensity of contrast. Before the 1970s the frosting came from treating the devices on the dies with a nitric acid solution, producing a light layer that rapidly vanished as coins were struck and the dies were wiped.

The Mint had stopped offering proofs to the public in 1916 on grounds that the new coin designs introduced 1908-16 couldn't properly be made as brilliant proofs due to their uneven die surfaces, which could result in loss of detail when the dies were polished, and because the matte proofs offered as replacements were unpopular. Only a few extremely rare presentation pieces were made as proofs from 1917 until 1936.

B. 1936-42

An article in the October 2018 monthly edition of *Coin World* suggests that the resumption of proof coinage came at the suggestion of Louis M. Howe, a longtime associate of FDR, but the evidence presented is ambiguous and indicates that the idea more likely came from within the Treasury Department.

The Mint sold proof coins from 1936-42 as singles or sets, in any quantity as ordered, for premiums of 10-25 cents over face value, plus 8 cents postage per order. A 5 coin proof set thereby cost \$1.89. In each year the quarter dollar had the lowest mintage, so the number of complete sets possible is limited to the number of quarters. The number of possible complete 1936 sets is 3,837, increasing each year to 21,120 in 1942. The cent had the highest mintage each year, except in 1938 when the new Jefferson nickel was the highest (19,365). The 1942 cent has the highest mintage of all at 32,600.

The mint packaged these coins in cellophane sleeves, like candy wrappers, open at one end, with groups of sleeves housing multiple coins or sets stapled together. The sleeves were then wrapped in tissue paper and placed in a small square cardboard box. This is not ideal for storage or display, so most of the coins or sets have been placed in

placed in plastic holders or albums and in more recent years certified holders. However, unless a set is in the original packaging, there is no way to know if the set is "original" or put together.

The earliest 1936 cents and nickels had a satin finish, somewhat like matte proofs. The others had a brilliant finish, generally over the devices as well as the fields. These coins are sharply struck on the high points; nearly all Jefferson nickels have full steps and Mercury dimes have full bands. However, low relief areas are sometimes weak or polished out, such as Lincoln's coat on cents and the eagle's feathers on quarters and half dollars and weak flag stripes on half dollars. Many 1941 half dollars feature missing "AW" designer's initials due to over-polishing of the dies.

Cameos for this period are quite rare, deep cameos virtually nonexistent. Most dies may not have been prepared with any contrast to begin with. PCGS data indicates cents are least rare in cameo, showing 225 graded 1936-42 or less than 1.4% of those graded; none of which is dated 1941. PCGS hasn't designated any quarters as cameos and only 14 Buffalo nickels (all 1937s), only 33 Jefferson nickels (17 1942-P wartime), only 14 dimes (12 1939s), and only 8 half dollars (2 each 1938 and 1939 and 4 1942), each a small percentage of one percent of those graded. PCGS has graded only 2 coins from this period deep cameo, 1 each 1942 cent and 1942-P war nickel, each one 66 DCAM.

Late in 1942 the mint offered the new wartime nickels as proofs and sold 27,600. The production of proof coins was then discontinued due to the heavy wartime demand for circulating coinage and military decorations.

Prices vary by year, denomination and quality. As sets of usual quality (PR64-66), the 1936 (6K) and '37 (3K) are the most pricey, both because of lower mintages and high demand for the Buffalo nickels. For other years the half dollars are the most expensive, followed by dimes. 1940-42 5 piece sets list \$800-\$900 each and can be obtained for less. Individual cents, nickels and quarters dated 1940-42 are available for \$50-\$100 each.

B. 1950-64

Proof coin production finally resumed in 1950. The mint now offered the coins only in 5 coin sets, still packaged in cellophane or soft plastic sleeves and tissue paper packed in the little cardboard box. Some time in 1955 the mint switched to packaging the sets in soft heat sealed plastic holders inserted into yellow envelopes, which generally preserved the coins well but made them appear dull because the plastic isn't clear. The price per set through 1964 was \$2.10.

Mintages began at 51,386 sets in 1950 and increased steadily each year through 1957, when the mint sold 1,247,952 sets. After subsiding to about 876,000 in 1958, the mintages again increased each year, with 1961-63 sets having mintages of over 3 million and 1964 sets nearly 4 million. The coins have similar characteristics to 1936-42 brilliant proofs, with the majority having completely shiny devices. Cameos and deep cameos are rare to very rare for the early 1950s but less so than for 1936-42; those for the late 1950s through 1964, especially cameos, substantially more available but, being heavily promoted, are now very popular and accordingly expensive. Original sets with one or more--but rarely all--coins with frosted surfaces on one or both sides used to turn up years ago with some frequency and commanded little or no premium.

While 1950-51 sets of usual quality cost \$500 or so, prices for those for subsequent years fall with higher mintages; all sets from 1956 on are available for well under \$100 each, with those from 1961-64 retailing for \$22-\$26 each.

C. 1968 to Date

The Mint discontinued production of proof sets from 1965 to 67 due to high production demand for circulating coins necessitated by the withdrawal of silver coins from circulation and their replacement by clad coins. Production resumed in 1968; for the first time--and ever since--the sets were produced at San Francisco instead of Philadelphia and bear the "S" mint mark.

Sets from 1968-72 were priced at \$5 and housed in the first clear hard plastic holder. Issue prices have steadily increased at or beyond the rate of inflation since that time; the last regular five coin sets issued from 1993-98 cost \$12.50. From 1973 on the sets included dollar coins when issued. Most sets 1968-98 are available below, at or slightly above their issue prices. Sets from 2000-06 including State quarters, which sold for \$20-\$23, are now available for as little as \$5. Although many sets have been broken up, I prefer to collect and keep the sets in their original holders.

Improved minting technology has enabled the mint to mass produce deep cameo proofs. This process involves the chrome plating of dies and sandblasting or etching of device areas. Nearly all brilliant proofs produced since the mid-1970s are deep cameos and otherwise high quality, usually grading 67 to 70.

From 1983 through 1997 (except 1985) the mint offered "prestige" proof sets including the year's commemorative half dollar and/or silver dollar in addition to the regular issue coins. In 1992 the mint introduced proof sets containing dimes through half dollars in 90% silver. There have been additional such "packaging options" since 1999,

such as partial sets including only the various quarters or dollar coins. In recent years mintages have declined to under 1 million due to higher prices and the proliferation of mint issues, causing some sets, like 2012s, to sell currently at a premium.

Since 1994 the mint has on occasion issued variants of proofs and other special strikes such as the 1994 and 1997 nickels with matte finishes, various coins as "reverse proofs" with frosted fields and mirror-like devices, and "enhanced uncirculated" finishes that could also be viewed as proofs.