



THE DRS. JOANNE AND EDWARD DAUER COLLECTION

# CIVIL WAR ENCASED POSTAGE



The Dauer collection, containing rarities and pieces of exceptionally choice quality, will be featured in Siegel's Fall 2020 auction of United States stamps

THE FIRST YEAR OF THE AMERICAN CIVIL WAR WAS marked by a surprising show of force by the Confederate military and severe disruptions of trade, which had an unsettling effect on the financial markets. The U.S. Treasury suspended all specie payments in December 1861, creating even greater anxiety and causing speculators and the public to hoard silver coins. The devaluation of paper currency against gold and silver added fuel to the fire, and by mid-1862 a vast quantity of silver and even copper-nickel coinage was removed from circulation. The 1862 coin shortage led to private stop-gap measures in the form of copper tokens and scrip. Postage stamps, which had a fixed value in denominations of less than one dollar, were also used as an exchange medium, but they had obvious physical shortcomings. Continuous handling of a small piece of gummed paper quickly rendered a stamp useless, and the Post Office refused to exchange new stamps for damaged ones.

To remedy the coin shortage, Secretary of the Treasury Salmon P. Chase proposed the idea of postage stamp currency. President Lincoln signed the congressional Postage Currency Act on July 17, 1862. The act was drafted and passed without consulting postal officials, and its wording seemed to authorize the use of postage stamps as currency, rather than authorizing a special issue of postage currency. In response to the published reports of the new Postage Currency Act in July 1862, the public demand for postage stamps exploded.

John Gault, a small-time inventor and purveyor of munitions, was in New York City in July 1862 and prepared to launch his patented "New Metallic Currency." Gault's concept was simple: insert a postage stamp into a sealed metal case with a mica window, through which the stamp could be seen. Gault's encased postage stamps were produced at the Scovill Manufacturing Company, a button and token maker in Waterbury, Connecticut.

Gault's encasements were promoted as something more than a practical coin substitute. Businesses could have advertisements die-stamped into the metal backing, which made them an effective marketing tool. Hotels, patent medicine manufacturers, dry goods merchants, hatters, a jeweler, liquor and wine merchants, and an insurance company were among Gault's 31 customers.

One of the earliest collectors was a well-known philatelist named Charles Gregory. Among the other prominent pioneer collectors of encased postage are Hiram E. Deats, C. S. Wilcox and William S. Appleton. Just prior to and after World War II the field was dominated by Colonel Green, T. James Clarke, F. C. C. Boyd, Josiah K. Lilly Jr., J. T. Temple and Arnold Perl. The successor to these collectors was John J. Ford Jr., whose outstanding collection was sold by Stack's in 2004. In the wake of the Ford sale, collectors such as Frederick R. Mayer, Dana Linett, "Summit" (Siegel Sale 955), Donald Kagin, Dr. William A. Little, and, of course, Drs. Joanne and Edward Dauer, emerged to the foreground.



## JOSEPH BURNETT & COMPANY, BOSTON

Joseph Burnett (1820-1894) was born in Southborough, Massachusetts, and was graduated in 1837 from the Worcester College of Pharmacy. He immediately went to work for Theodore Metcalf Co., an apothecary located on Tremont Row in Boston. In 1845 he became a partner, and the firm adopted the name Burnett & Metcalf Chemical Co. (it was dissolved in 1855). During this time Dr. Burnett supplied the anesthetic used by Dr. William T. Morton to perform the first public painless surgical operation in the United States, at Massachusetts General Hospital. In 1847 Dr. Burnett started his own business selling personal and home products, and in 1858 he moved his offices to Boston. Burnett's "Cocaine" hair tonic, "Kalliston" skin cream, toilet sets and extract flavorings were advertised on the firm's encasements. The "Cocaine" products did not contain any cocaine narcotic, as did many other patent medicines, but Dr. Burnett might have created the term for marketing purposes.



## DRAKE'S PLANTATION BITTERS, NEW YORK, N.Y.

Col. Patrick H. Drake and Demas Barnes formed a partnership sometime around 1862 to manufacture and market Drake's Plantation Bitters. Their partnership ended in 1867, and Plantation Bitters was sold thereafter by P.H. Drake & Co. The digestive aid — made with 38% alcohol — was sold in a distinctive log cabin-shaped bottle. This bottle design was patented in 1862, and Plantation Bitters was one of more than 40 cabin-shaped bitters bottles produced by various makers.





### JOHN GAULT, BOSTON AND NEW YORK, N.Y.

John Gault, seeing opportunity, filed his patent for a "Postage Stamp Case" on July 24, 1862. A few weeks later, on August 12, he was granted patent No. 1627. Gault's "New Metallic Currency" was promoted through Horace Greeley's Tribune and other newspapers, and they soon became not only a form of currency, but an advertising medium for merchants, hotels and other businesses. Gault's Boston office was located at 5 Water Street. By the summer of 1862 he had already rented an office in New York City at 1 Park Place. Gault formed a partnership with Joseph Kirkpatrick, an express operator and business associate of William V. Barkalow, who was Gault's partner in the munitions business early in the war. The encasements were made at the Scovill Manufacturing Company, a button and token manufacturer located in Waterbury, Connecticut. Gault's own encasements were the first he manufactured.



### J. C. AYER & COMPANY, LOWELL, MASS.

James C. Ayer (1818-1878) founded his own apothecary and patent medicine firm in Lowell, Massachusetts, in 1841. By the 1850s it was the largest manufacturer of patent medicines. Ayer & Co. skillfully marketed popular medicinal remedies, such as Cherry Pectoral, Cathartic Pills, Sarsaparilla, Ague Cure and Hair Vigor. During the Civil War, Ayer & Co. was Gault's biggest customer for encased postage, ordering more than 200,000 pieces. Three different advertising legends were produced: "Ayer's Cathartic Pills," "Take Ayer's Pills" and "Ayer's Sarsaparilla."



### Drs. Joanne and Edward Dauer

*Passionate about improving people's lives and collecting great things*

**Dr. Joanne C. Dauer** was born in Pennsylvania and attended Penn State University where she earned undergraduate and graduate degrees in nursing. After working as a surgical nurse in Miami she received her training as a critical care nurse at Mt. Sinai Medical Center on Miami Beach. She was certified by the American Association of Critical Care Nurses and worked as a surgical intensive care nurse in the post-operative cardiovascular intensive care unit. Joanne was associate administrator of Florida Medical Center and currently serves as executive director of Florida Medical Services. She earned her Doctorate of Nurse Practice degree at the University of Miami in December 2013. Joanne is currently a faculty member at the University of Miami School of Nursing and Health Studies and teaches nursing students in the clinical simulation laboratory.

**Dr. Edward Dauer** attended the University of Miami and earned an undergraduate degree in electrical engineering, a graduate degree in biomedical engineering, and an M.D. degree from the School of Medicine. He is board certified in diagnostic radiology and has served as director of radiology at Florida Medical Center since 1979. In 1988 he was appointed a member of the Florida State Board of Medicine by the governor and confirmed by the senate. During his eleven years on the board, he served two terms as chairman. He has been a member of the University of Miami Board of Trustees since 1996 and is also a full-time faculty member with the title of Clinical Professor of Biomedical Engineering, Radiology, and Family Medicine. He is the director of the scanning electron microscope laboratory and specializes in tissue engineering and artificial internal organs. He teaches and is a researcher in electron microscopy, radiation biology, radiation physics, and physiology. He recently served as one of the fifteen scientists on a committee from the National Academies of Science, Engineering, and Medicine studying the safety of millimeter wave scanners currently in use by the TSA at over 150 airports in the United States and co-authored the findings which were published in January 2018.

**Drs. Joanne and Edward Dauer have spent a lifetime as collectors. Their interest includes stamps, paper money, historical documents, and many other areas. They started collecting encased postage in 2007 and strived to obtain the finest and rarest specimens with attention to quality. They thank their close friend, Sonny Hagendorf, for his guidance and assistance in the acquisition of many great items over the years. As a collector once told them, "We are only custodians of these historical items during our lifetime; it is time to pass them on to another generation of collectors".**



The Fall 2020 U.S. stamp auction catalogue, featuring the Dauer Encased Postage collection, will be available in September.

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