The early months of 1861 brought a firestorm of change, much of which influenced postage stamps. After Lincoln's election in November 1860, South Carolina seceded, setting in motion events that would soon lead to the first shots of the Civil War. Lincoln's postmaster general, Montgomery Blair, would oversee the department until 1864 and ensure that postal communications continued uninterrupted during this turbulent period. Blair not only maintained services, he introduced significant changes during his term.

PMG Blair's first order of business was to secure a new contract for the production of postage stamps that would replace the old issues slated for demonetization. Toppan, Carpenter & Co.'s contract was due to expire on June 10, 1861, and Blair's solicitation for bids appeared on March 27. Among the printers who submitted proposals was a relatively new firm, the National Bank Note Co. of New York City. National pursued the contract aggressively, and on May 10 the PMG advertised acceptance of National's bid at 12¢ per thousand stamps. Before closing, National was asked to furnish "sheets, perfectly gummed and perforated" of the "several denominations of stamps."

Company records show that the eight plates for the 1861 stamps were completed between June 15 and 19, and that these plates — numbered I through 8 and containing 200 subjects each — were made from the first dies engraved for each value. The 1¢, 3¢, 5¢, 12¢ and 90¢ plates used to produce the "perfectly gummed and perforated" sheets submitted to the Post Office Department were never used again. Modifications to the designs of these five stamps were made before regular production commenced, and the stamps printed from the first plates are known as First Designs. The reason for the subtle design changes was never recorded, nor have collectors ever been able to establish why National would go to the expense of recreating dies and plates. One theory holds that the plate layouts for certain values did not accommodate the wider perforation holes (12 gauge versus 15 gauge).

The 24¢ and 30¢ plates (Plates 6 and 7) were used to print stamps when regular production began, but the colors of the earlier trial printing can be distinguished from all subsequent printings. These two are called First Colors. Regular production of the 10¢ involved a new plate (Plate 15) made from a modified die, but the old Plate 4 was also used for the regular issue. For this reason the 10¢ exists as a First Design (or Type I) trial printing (Scott 55) and as a regularly-issued stamp (Scott 62B). Cancelled 10¢ First Design stamps are regular issues, but there is no means to differentiate between the trial printing and regular issue for unused 10¢ First Design stamps. The Zoellner collection presents an original-gum example as Scott 55 and cancelled examples as Scott 62B.

The First Designs and Colors are currently classified by Scott as essays or trial colors, perforated and gummed, but collectors' acceptance of them as postage stamps is partly justified by a pattern of distribution that is atypical of essay and proof material. Only one stamp in the group, the 3¢ First Design, is common enough to suggest that sheets of this stamp may have been obtained from the printer's archive.

The other values are extremely rare and appear to have reached collectors from different sources at different times. This distribution pattern does not fit with essay and proof material, which usually emanates from a single source, such as the printer's archive, or from related sources, such as the engravers themselves. It has been said, although the claim is undocumented, that the release of the 1861 Issue was preceded by an official P.O. Dept. notice to foreign postal officials, informing them of the forthcoming issue and supplying examples from the trial-printing sheets submitted by National.

Whether or not this is true, it does seem likely that the Post Office released examples of the First Designs and Colors through its own channels, albeit not through post offices. In this respect there is no difference between the 1861 First Designs and Colors and the 1901 4¢ Pan-American Invert or the 1909 4¢ and 8¢ Bluish Paper stamps. None of these was actually sold through post offices, but instead the stamps were released through postal officials.

The eight values of the 1861 Issue were delivered to the government Stamp Agent on August 16, and it seems that Baltimore, on August 17, became the first post office to place the new issue on sale. The earliest known usages for 1861 stamps are as follows: 1¢ Scott 63 eku 8/17; 3¢ Scott 64b (Rose Pink) eku 8/17; 5¢ Scott 67 (Buff) eku 8/19; 10¢ Scott 68 eku 8/20; 24¢ Scott 70c (Violet) eku 8/20; 30¢ Scott 71 eku 8/20; and 90¢ Scott 72 eku 11/27. The 10¢ First Design is recorded no earlier than September 17, about one month after the 10¢ Type II date.

In 1863 a 2¢ stamp portraying Andrew Jackson was issued to meet the new drop-letter rate. In 1866, one year after Lincoln's assassination, a new 15¢ stamp was issued with his portrait, which filled the long-time need for a single stamp to pay the U.S.-French treaty rate. With the two additions, the 1861–66 series of ten denominations was complete.

National's engraved plates were much more consistent than Toppan, Carpenter's, but the variation in inks does present collectors with a challenge in classifying different shades among the stamps. The distinctive early colors — 3¢ Pink and Pigeon Blood Pink, the 5¢ Buff and Red Brown, and the 24¢ Violet and Steel Blue — are prized by collectors. Later shades, such as the 24¢ Blackish Violet (Scott No. 78¢) and 3¢ Lake (Scott No. 74) and Scarlet (Scott No. 66), are also very rare.