



The Philatelic Foundation

Grading Policies and Procedures

The Philatelic Foundation is a not-for-profit educational institution chartered in 1945 to encourage and advance philately in all of its branches. The Foundation engages in a broad range of educational activities, including the expertization and authentication of rare stamps and covers. In October 2005, the Foundation added numerical grading to the mix of services it offers to the collector community.

Grading terminology for stamps has existed for decades. References to grading can be found in auction catalogues dating back to the early 1930s. Historically, no concerted and sustained effort was made to institute a universally accepted grading system beyond the general description of condition as good, very good, fine, very fine, and later, extremely fine and superb. Within these general terms, grading was a matter of individual preference and bias.

In recent years the price disparity between premium-condition stamps and lower-quality stamps has widened dramatically. This discrepancy underscored the need for a uniform system of grading that could be accepted by all philatelists.

This booklet explains in detail the precepts and standards used by the Philatelic Foundation in grading United States and Canadian postage stamps. The system of numerical grading presented in these pages represents an unbiased and objective methodology as

developed and refined by the Trustees and full-time expert staff of The Philatelic Foundation.

The Foundation's goal in grading stamps is to provide collectors and dealers with objective information about their stamps. To do this, the Foundation will assign a number to a stamp which gives our evaluation of a stamp's centering, margins and overall condition. This number is based primarily on a stamp's centering and margins. Using these easily understood criteria enables us to consistently and accurately grade stamps, and this allows collectors and dealers to easily compare stamps of the same or differing grades within the same issue.

In addition to the main numerical grade, The Philatelic Foundation also evaluates the condition of the gum, the size of the margins and other important qualities.

With the information provided in a graded certificate from The Philatelic Foundation, a collector or dealer can make intelligent choices and comparisons among stamps. The Foundation does not, however, value the stamps it grades. Valuation is a subjective estimate of a market price which can vary enormously depending on whether a transaction is done in the wholesale or retail markets, at auction or private sale, or in trade for other stamps.

What Items Will Be Graded?

All issues listed in the *Scott Valuing Supplement*, and the additional categories listed below:

- Revenue stamps
- Savings stamps
- Confederate States of America
- United States Possessions and Canada

What Items Will Not Be Graded?

- Multiples, except coil pairs
- Covers
- Booklet panes
- Stamps which have faults, other than trivial flaws
- Stamps which have been repaired
- Stamps with straight edges
- Fakes
- Altered stamps

A number of factors contribute to the final grade of a stamp. To explain in detail how a grade

is assigned, each of these factors will be discussed in turn.

Centering

Centering is by far the most important among all the factors determining the grade of a sound stamp.

On perforated stamps, centering is determined by observing or measuring the distance from the edge of the design to the nearest perforation hole on all four sides. On imperforate stamps, centering is determined by observing or measuring the distance from the edge of the design to the nearest edge of the stamp on all four sides.

The flat-plate printing process sometimes resulted in rows of perforations that are not parallel. On imperforate stamps, which were cut by hand, margins are frequently uneven and not necessarily parallel. Such stamps may receive a grade lower than comparable stamps with parallel edges.

After evaluating the centering of a stamp, a base grade is assigned ranging from Very Good (50) to Superb Gem (100). Once the base grade has been established, other factors can be considered. Depending upon the outcome of this review, the stamp's grade may be confirmed, reduced or raised. A complete listing of grades employed is presented on page 6.

Here are the additional factors that may affect the final grade:

Size of the Stamp

In a perfect world, all stamps with the same Scott number would be the same size. While this is basical-

ly true of the design itself, when the margins are included even stamps from the same issue, or even the same sheet, do not always measure the same from side to side or from top to bottom. The wheels and pins used in the perforating process were rarely laid out perfectly equidistant. This resulted in individual stamps that are either larger or smaller than average.

A stamp with four margins substantially larger than the norm will receive a "J" designation after its numerical grade. The "J" abbreviates "jumbo," the traditional term used in philately to identify an abnormally large stamp. A stamp with mar-



Fig. 1 – A larger than normal example worthy of the "J" designation.

gins considerably smaller than the norm for that same stamp will have its grade reduced. Stamps with margins larger than those normally found of that stamp, but not large enough for a "J" designation, will be considered, along with other factors, for an "XQ" "Exceptional Quality" designation.

Note that the normal size of a particular Scott number can vary from issue to issue. Within some issues, stamp size can vary from one denomination to another. Figure 2 shows blocks of four of the five denominations in the 1851-57 issue. The spacing between designs, both horizontal and vertical, varies from denomination to denomination. Because of this situation, the "normal" margins for each denomination will differ. On the 1¢ value, the stamps were laid out so closely together that some



Fig. 2 continued on next page

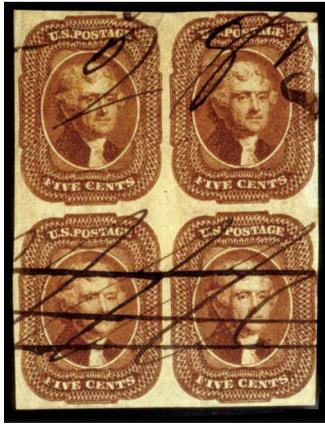


Fig. 2 cont. – These 1851-57 Issue blocks demonstrate how the space between stamps even within the same issue can vary.

positions on the plate had to have portions of the design burnished away. This resulted in the various types of 1¢ 1851-57 stamps which are listed in the Scott catalog. Within the 1¢ value, the normal margin dimension can vary according to the stamp type. In contrast, the overall size of the 10¢ 1851 design is smaller, so on these stamps the normal margins tend to be more generous.

Color

The mixing of pigments to produce a particular color has never been an exact science. This was especially true in the classic stamp era. A review of the *Scott Specialized Catalogue of United States Stamps and Covers* for this period shows a variety of shades listed for many Scott numbers.

As long as the color of a stamp falls within the normally accepted range for a Scott number, the grade of a stamp will not be affected. The grade of a stamp will be lowered if the color is faded or weakly printed (see Impression section below). If the color is exceptionally rich and vivid – a color far superior to what is normally found—the Foundation may designate this stamp as “XQ” for “Exceptional Quality.”

The color nomenclature used by the *Scott Catalogue* is not always based on a consistent scientific approach, but is sometimes based



Fig. 3 – Both of these stamps are designated as Vermilion in the Scott Catalogue, yet their colors are remarkably different.

on historic use. For example, Scott 214, the 3¢ Bank Note stamp of 1887, is listed in vermilion, as are the soft porous paper printings of the Interior Department stamps, Scott O96-O103. As can be seen from the photos in Figure 3, the colors are quite different.

Impression

The overall printed impression of the stamp is important. Over time, plates wore down, resulting in impressions that were not as sharp as those made from earlier states of the same plate. Also, at times, the plate was not properly inked. Stamps produced from under-inked plates will not have a well-defined impression.

Stamps exhibiting weakened impression, whether from plate wear or from under-inking, may have their grade reduced. A stamp with a highly detailed impression, especially early issues such as the 1847 series, will be considered for an “XQ” (“Exceptional Quality”) designation.

Paper

The types of paper on which stamps are printed are almost as varied as the colors used to print them. Especially in the classic era, most issued stamps were printed using more than one paper type. No matter what the type, so long as the paper remains fresh, the grade of the stamp is not affected.

Perforations

Due to the delicate, fibrous nature of paper, when

perforated stamps are separated, the perforations on any stamp may not all have the same height. When one or more perforations are significantly shorter than the others (a “nibbed” perforation), the grade of the stamp will be reduced. Figure 4 shows a stamp with a short perforation severe enough to cause a diminishment in grade.



Fig. 4 – Note the shorter perforation on the right side about half way down the stamp.



A pulled perforation is actually a missing piece in a stamp. This is considered a fault. Stamps with pulled perforations will not be graded. Figure 5 shows a stamp with a pulled perforation.

Fig. 5 – Note the pulled perforation at left half way down the stamp.

On occasion in the perforating process, one or more of the perforating pins will fail to function, resulting in a stamp with “blind” perforations. Blind perforations will not automatically reduce a stamp’s grade, but that condition can be a factor in determining the final grade.



Fig. 6 – Note the blind perforation at the bottom of the stamp.

Many United States sheets of stamps from the 19th and early 20th centuries were issued with unperforated edges on one or two sides. Over the years, many of these stamps with straight edges have been reperforated, in an attempt to give their stamps a more balanced appearance, or simply to fool collectors. Reperforation is regarded as a significant fault. Stamps which have been reperforated will not be graded. Stamps with straight edges will also not be graded.

Gum condition

The grade of a stamp is not affected by whether its original gum has been hinged or remains unhinged. The certificate for a stamp which has original gum will state if the stamp is never hinged or previously hinged.

If an original gum stamp has trivial, natural gum

flaws like tiny skips, light bends or a tiny ungummed area, this will not affect the grade of the stamp or whether it is considered hinged or never hinged. If, however, an original gum stamp has excessive gum skips, gum bends, ungummed areas or minor gum disturbances, the grade of the stamp will be reduced. A previously hinged stamp that has been heavily hinged will be so noted and the grade may be reduced. If the stamp only has partial or disturbed original gum, this will be noted and the stamp will not be graded.

For some issues, more than one type of gum was used over the production life of that series. A good example is the 1893 Columbian issue. On these stamps one can find a white crackly gum as well as a smooth gum that has a more yellowish cast to it. The grade of a stamp is not affected by such original gum varieties.

It is not uncommon to find on the gum some ink from another stamp. This is often caused by sheets of stamps with slightly wet gum being stacked in piles and the gum picking up an offset of some of the ink from the sheet below. This kind of ink offset will not normally be noted on the certificate or reduce the grade of a stamp.

Inclusions

Stamp paper is produced from wood pulp. During the paper-manufacturing process, small bits of unprocessed pulp, called inclusions, can remain imbedded in the paper. Inclusions visible only on the reverse of a stamp do not normally affect its grade and are not normally identified on the certificate. If, however, an inclusion on the face of a stamp is large enough or dark enough to detract from the overall appearance, the grade may be reduced and the inclusion mentioned on the certificate.

Toned Spots

The different paper types that were used in the production of stamps were not always of archival quality. Over time, some stamps develop spots in the paper, caused by a reaction of chemicals in the paper with impurities in the atmosphere. These are referred to as “toned spots.” Very small, light toned spots are not uncommon on early stamps, and these spots are considered a trivial imperfection which will not

affect the grade of the stamp or be noted on the certificate. Stamps with toned spots which are dark or large will not be graded.

Paper Manufacture or Production Irregularities

The manufacturing of paper does not result in a perfect product. Even when smooth to the touch, paper is not a perfectly flat surface. Hold a stamp up to a bright light and you may see light coming through at points. These varying levels of transparency do not affect the grade of a stamp. However, natural translucent spots may appear in the paper and, if noticeable, may affect the grade.

The bits of paper that are punched out from a stamp sheet during the perforating process are called “perf discs.” Sometimes a perf disc may become pressed into the paper or leave an impression or indentation. Stamps affected by perf discs may have their grade reduced and if severe may not be graded.

A perf dimple is a round impression sometimes found on the backs of stamps. It should not be confused with perf disc indentations. Perf dimples are round impressions caused from the shape of perf holes being impressed into the stamp gum or paper from the pressure of stacking sheets during the production process. The appearance of perf dimples will not normally cause the grade of a stamp to be reduced.

Guide Lines

On many U.S. stamp issues from the late 19th and early 20th centuries, horizontal and vertical guide lines were printed on the full sheets to aid cutting or perforating the sheet. When perforated stamps are separated from a sheet, stamps which abut a guide line may show some or all of the guide line on their perforations. Stamps showing a significant portion of a heavy guide line will have their grade reduced.

In order to improve the appearance of a stamp, guide lines are sometimes removed. It is usually easy to tell if a guide line has been removed, since the surface of the perforations will show some scrap-



Fig. 7 – This “arrow block of 4” shows a vertical guide line running between the horizontal pairs.

ing. Removal of a guide line will be mentioned on the certificate. Stamps which have had a guide line removed will not be graded.

Cancellations

One of the main criteria used in determining the grade of a used stamp is how the cancellation affects its overall appearance. The lighter the cancel and the more unobtrusively it falls on the stamp, the more desirable the stamp will be to most collectors. Figure 8 shows a stamp with what would be regarded as a light cancel. Figure 9 shows a stamp with a heavy cancellation that significantly diminishes the visual appeal of the stamp.



Fig. 8 – A stamp with a light cancel.

This stamp would have its grade reduced. Should a stamp bear a fancy cancel (see Figure 10) its grade would not be reduced even though it covers most of the stamp. Furthermore, stamps with fancy cancellations would be considered for an “XQ” “Exceptional Quality” designation. A stamp with a pen cancellation will be graded if the *Scott Specialized Catalogue of United States Stamps and Covers* lists a separate value for the stamp. However, if there is no catalogue value for the stamp with a pen cancellation, it will not be graded.



Fig. 9 – A stamp with a heavy cancel.



Fig. 10 – A stamp with a fancy cancel.

The Final Grade

The final grade of a stamp is determined by assigning an initial grade based on centering and margins and then, if needed, adjusting that grade to reflect the various additional factors just described. Important factors such as jumbo margins or other exceptional characteristics are not included in the numerical grade but designated separately with a “J” or “XQ” designation.

The final assessment of a stamp is based on the experience our Expert Committee has gained from many years of examining stamps. It is also supported by The Philatelic Foundation’s photographic archives (containing over 470,000 certified items) and by its unsurpassed reference collection. These key factors help insure that the Foundation’s grading is accurate, consistent and transparent.

The table to the right is a complete listing of potential final numerical grades and the traditional grading nomenclature associated with each numerical grade.

Listing of Final Grades, Traditional & Numerical Designations

<i>Traditional Description</i>	<i>Point score</i>
Superb Gem	100
Superb	98
XF-Superb.....	95
Extremely Fine (XF).....	90
VF-XF.....	85
Very Fine (VF).....	80
F-VF.....	75
Fine (F).....	70
VG-Fine	60
Very Good (VG).....	50
Good-Very good.....	40
Good.....	30
Fair	20
Poor	10

1847 Issue Grades



1851 Issue Grades



1857 Issue Grades



70

75

80

85

90

95

98

1861 Issue Grades



70

75

80

85

90

95

98

1869 Pictorial Issue Grades



75

80

85

90

95

98

1870-88 Large Bank Note Issue Grades



70

75

80

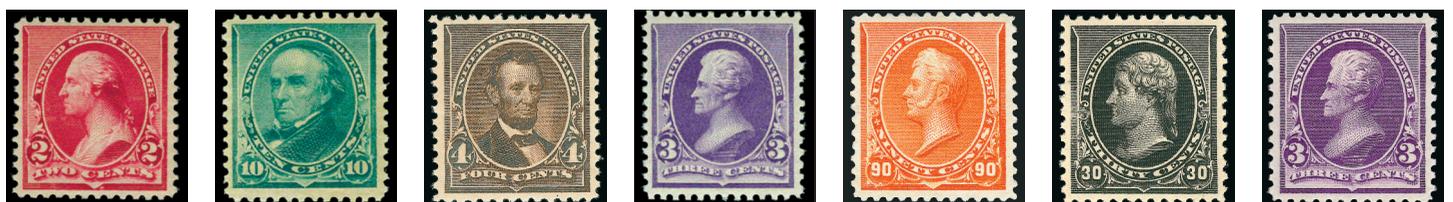
85

90

95

98

1890-1893 Issue Grades



70

75

80

85

90

95

98

1893 Columbian Issue Grades



70



75



80



85



90



95



98

1894-1898 Bureau Issue Grades



70



75



80



85



90



95



98

1898 Trans-Mississippi Issue Grades



70



75



80



85



90



95



98

1901 Pan-American Issue Grades



70



75



80



85



90



95



98

1902 Issue Grades



70



75



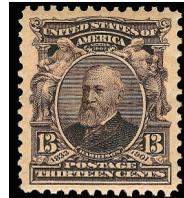
80



85



90



95



98

1904 Louisiana Purchase Issue Grades



70



75



80



85



90



95



98

1907 Jamestown Issue Grades



70



75



80



85



90



95



98

1908-1922 Washington-Franklin Issue Grades



70



75



80



85



90



95



98

1908-1922 Washington-Franklin Coils Grades



70



75



80



85



90



95



98

1913-15 Panama-Pacific Issue Grades



75



80



85



90



95



98

1922 Issue Grades



70



75



80



85



90



95



98

Airmail Grades



70



75



80



85



90



95



98

Special Delivery Stamps Grades



70



75



80



85



90



95



98

Parcel Post Stamps Grades



70



75



80



85



90



95



98

Duck Stamps Grades



75



80



85



90



95



98