

2/- NETT.

The Mystery  
OF THE  
Shilling  
Green

... BY ...  
FRED. J. MELVILLE.



LONDON :  
CHAS. NISSEN & CO., LTD., 63 High Holborn, W.C.1.

# **The Mystery Of the Shilling Green**

The great British Stamp Forgery.  
How the Post Office was defrauded of many thousands of pounds in 1872 – 1873,  
and how the counterfeit was discovered by CHARLES NISSEN in 1898.

By Fred J. Melville

## **Special note**

In this PDF version, as well as all the original illustrations, a number of colour pictures have also been included. We would hope that this adds to the value of the work, rather than distracting from the original. These colour pictures are at the end of the work under the respective plates. Also included as a preface is the article that appeared in Stanley Gibbons Monthly Journal number 97, July 1898 breaking the news of their discovery.

1926

LONDON

Chas. Nissen & Co., Ltd., 63 High Holborn, W.C.1.

## Great Postage Stamp Fraud.

THE BRITISH POST OFFICE LOSES THOUSANDS!

Discovery of great quantities of forged One Shilling stamps in our Publishers' Stock.



FORGERY.



GENUINE.

It has been the proud boast of British philatelists that, with the exception of imitations of the 1d., black, there has been no dangerous forgery of our stamps during the fifty-eight years of their existence; but, alas! this boasting is vain, for we have found in our stock a *very large* number of counterfeits of the One Shilling, green, plate 5.

To meet the ever-growing demand for used old English stamps, we recently purchased a large parcel of them. Many of these stamps had been on telegraph forms, as the reader will see by the postmark, which is that of the Stock Exchange Telegraph Office, and shows the date of July 23, 1872. No less than 100 of these forgeries, all used upon the same date, were found in this one parcel; and, as the fraud was never discovered, the Department may have been robbed to the tune of £5 a day for many months.

The question will naturally be asked how it is that this forgery has been brought to light twenty-six years later. Most collectors, however, are aware that stamps used on telegraph forms seldom come into the market, for the reason that the forms are filed and put away for future reference, and after the lapse of a certain number of years they are officially ordered to be destroyed. It, however, occasionally happens that by the connivance of some person employed to carry this out the stamps escape destruction, and find their way into the stamp market, as has happened in this case.

The points of difference between the Genuine and Forged stamps are chiefly as follows:—

First of all the forgeries are without watermark, whereas the genuine stamps from this plate are always watermarked with a "Spray of Rose."

It would appear that the stamps have been copied by

a photographic process, for every line in the original is to be found in the forgeries, but it is in the minute details that the forgery fails to be an exact copy.

The chief differences to be noted are:—

First. In the originals the square corners containing the letters are always sharp and clear; in the forgery they have a rounded or blurred appearance in the angles.

Second. In the lace-work just after the "E" of "POSTAGE" there is a four-sided space formed by the lines of the lace-work and its curved end; this space in the forgery is nearly twice as large as in the originals.

A careful comparison of the fourfold enlargements we give above will show other small differences.

The examination of the forgeries has led us to suppose that the stamps were not copied in complete panes, as only certain *vertical* rows of letters are found.

We have no doubt that a *very large fraud* on the postal revenue took place in 1872; this could have occurred in only two ways, as far as we can see:—

*First.* By the connivance of someone in the telegraph office attached to the Stock Exchange.

*Secondly.* By one or more stockbrokers' clerks using these forged stamps in the place of genuine ones.

We have, of course, placed the full details before the proper authorities, who are investigating it, but it is almost too much to hope that after the lapse of so many years the guilty can be brought to book.

Once again the stamp fraternity has been proved to be the best detective agency at the command of the Inland Revenue authorities.

NOTE.—This article was written in time to appear in the last number of the "M. J.," but was held over at the request of the Secretary of the Post Office.



GENUINE.



FORGERY.

# **The Mystery of the Shilling Green**

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## **I. – THE MYSTERY**

In the annals of crime are mysteries, which have baffled investigation, and will probably remain unravelled to the end of time. Such is the case with the British Stamp Forgery, a crime half a century old, and one of the most fascinating chapters in the chronicles of the counterfeiters.

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One day in May 1898, a young philatelist, Mr. Charles Nissen, looking through some Queen Victoria shilling green stamps, which had been used on telegrams in 1872, noted that there were some with rather blurred impressions amongst the lot. Closer investigation showed other peculiarities. He soaked some off the paper to examine the watermark.

“She wore a spray of rose  
The night that we first met,”

Soliloquized our hero, but these green Queens wore no “spray of rose”. Some too, bore corner letters that were never meant to go in pair. The philatelist had struck the clue to a great and clever fraud.

“What find I here  
Fair Portia’s counterfeit?”

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Detective stories should be worked out backwards, so they say, but this is no fictional romance, so it may as well be taken from the beginning, the reader being politely informed, here and now, that the story has not the usual happy ending of virtue rewarded and villainy confounded. One person alive today might answer the mystery.

“Who forged the Shilling Queen?”

or in Shakespeare’s phrase

“What demigod  
Hath gone so near creation?”

But the lips of that person are sealed.



## II. – THE SHILLING TELEGRAM

In the early days of telegraphy in Great Britain, the telegraph services were in the hands of companies, licensed by the Postmaster-General, jealous as ever of the Crown's monopoly in the matter of communications. The companies held the field until, in 1868, a bill was introduced in Parliament to authorise the Government to purchase the Telegraphs of the United Kingdom, and operate them as a public service, under the control of the Post Office Department. The bill was duly passed and became law, and the transfer of the lines from the Telegraph companies to the Post Office took effect in January 1870.

Under the regime of the companies there had been great uncertainty amongst the public as to the rates payable on telegrams, the rates being charged according to distance and under varying tariffs fixed by several companies. With the coming of the Post Office Telegraphs an uniform rate was fixed for private messages of one shilling for twenty words, and three pence for every additional five words or less. This convenient uniform rate led to the rapid and great increase in telegraph business. In the first year under the Post Office 8,606,000 messages were transmitted, exclusive of press and news telegrams, and the annual total grew to 11,760,000 in 1871, 14,858,000 in 1872 and 17,346,000 in 1873.

This is the critical period in the story of the great British stamp forgery. The transfer of the Telegraphs to the Post Office involved a great increase of staff, and some disorganization owing to inadequate accommodation at the General Post Office. So it seems probable that about this time the Post Office took into its service the culprit who was to manipulate the only forgeries of postage stamps which has ever been known to have defrauded the Public Revenue of the United Kingdom.

### III. – THE RUN ON THE SHILLING GREEN

From the start under the Post Office the charges for the transmission of telegrams for the public were payable by the 1s green embossed stamp, struck upon the prescribed telegraph forms, or by means of ordinary postage stamps affixed to unstamped telegraph forms. This arrangement prevailed until 1876 when special and distinctive stamps were issued for the telegraph service.

In the first rush of the new telegraph business, Plate 4 of the One Shilling Green stamp was at press, but on February 20<sup>th</sup>, 1871, plate 5 was brought into use; this was taken from press on September 30<sup>th</sup> 1872, after having produced 55,495 sheets of 240 stamps on paper watermarked “spray of rose”, a total of 13,318,800 stamps.

Plate 6 was put to press on March 20<sup>th</sup> 1872, and was in use concurrently with plate 5 until the later was withdrawn in September and plate 6 alone was continued in use until withdrawn on October 15<sup>th</sup> 1872. From plate 6 there were taken 35,000 sheets, or 8,400,000 stamps. A month later plate 7 was at press.

Altogether of this type of stamp on “spray of rose” paper, there were printed officially, between August 1867 and July 1873, 48,598,800 stamps, representing a total face value of £2,429,900. The use of the stamp on telegrams, the large majority of which were sent at the minimum rate, or with additional words bringing the charges up to 1/3<sup>d</sup> or 1/6<sup>d</sup> was responsible for the greatly increased consumption of the 1s green stamps from 1870. The shilling minimum rate for telegrams remained until 1885, when it was reduced to 6<sup>d</sup> for twelve words, but as already stated, distinctive stamps for the telegraph service superseded the use of ordinary postage stamps in 1876.



#### IV. – THE TRAVELS OF A TELEGRAPH FORM

In sending telegrams, the unstamped forms were generally favoured by the public owing to the risk of wastage by spoiling stamped forms on which the minimum transmission fee had been paid. The message written upon the form in the ordinary course is passed across the counter at the telegraph office, with cash for the requisite stamps; the words are counted by the telegraph clerk, and the form with the loose stamps passed back to the sender, the rule being that the sender affixed the stamps to the form. The form thus furnished with its compliment of adhesive stamps is returned to the clerk, who immediately cancels the stamps with the office date stamp.

This procedure, which remains in vogue to this day, lent its aid to the realization of the great stamp fraud. All the copies of the 1s green forgery which have been found were used on telegrams forwarded from the Stock Exchange Telegraph Office, London, E.C., where thousands of shilling stamps were used daily in the transaction of stockbrokers' business, and the evidence points to complicity between a clerk employed at that office with the forger or gang of forgers. The culprits' immunity from discovery, and indeed the complete success of the fraud, of which the Post Office remained in ignorance for many years, appears to indicate that the plot was shared in by a very limited number of conspirators, possibly no more than two. Had there been more they might not have been contented with a single outlet for their spurious wares, and so might have increased their chance of detection.

The theory is that the conspirator inside the office substituted the counterfeit stamps for genuine ones, and probably only for use on telegrams which he was handling himself. In the press of business, the forged stamps would be passed over the counter, fixed without close examination by the sender, who would have no reason to suspect the genuineness of stamps brought at the post office counter for service which was rendered forthwith. The culprit receiving back the form with the forged stamps cancelled them at once, might even have taken care in so doing to cover up defects in the reproduction, if he knew of any.

After the despatch of the telegrams, the forms are filed for a period, in case of errors or questions arising relating to the message, and then they are stored away for years before being destroyed. At periodical intervals vast quantities of old telegraph forms are sent away for destruction. These periodical holocausts are in the charge of officials and are supposed to be complete. It happens frequently, however, that there are large leakages. The high value stamps used on the forms have a value in the collecting world, and some of the parties concerned with the destruction of telegraph forms have saved and marketed considerable quantities of the used stamps, a circumstance which accounts for many high value British stamps with telegraphic cancellations in collections.

It is known that such leakages occurring prior to 1898 contained many of the forgeries of the 1s green, but they passed undetected, and were sold by stamp dealers as genuine. It was not until the large leakage of 1898, which fortunately came under the observation of the shrewdest young philatelist of his time, Mr Charles Nissen, that the counterfeits were recognized and exposed. Mr Nissen then, although still in his teens, had developed strongly that penchant for British stamps which has brought him to the forefront of the present day authorities on British stamp issues. Another similar leakage in 1910 added fresh evidence of the extensive use of the counterfeits.

It may be wondered that the accounts of one post office did not reveal something wrong somewhere, where a much larger number of telegrams were being despatched than were represented by the sales from the stamp stocks, but the fact that anyone might purchase stamped forms or adhesives stamps at any other office and use them at the Stock Exchange Telegraph Office would account for a wide difference between the cash taken and the value of the actual telegrams transmitted. It is, however, just possible that suspicions were aroused, and that although nothing was discovered at the time, the suspicions culminated in the proposal and adoption of the scheme for the distinctive telegraph stamps which came into use in 1876.



FORGERY.

## V. – A LONG SUSTAINED SCHEME

The extent of the fraud probably will never be known, although an exhaustive enquiry – and a search of the telegraph forms – when the discovery was made in 1898 might have yielded some valuable information in that direction. All that we can arrive at now is the extreme limit of dates on the forged stamps which have leaked out and which are preserved by philatelists. All the forged stamps in the lot first discovered by Mr Charles Nissen in 1898 were used on one day, July 23<sup>rd</sup> 1872 and bore the plate number 5. Other copies have since turned up which put the earliest date back to June 3<sup>rd</sup> 1872.

At that time the genuine plate 6 had been at press for a considerable time, but probably stocks printed from it were not in general use, as the genuine plate 5 was still at press, and the earliest dated copy of plate 6 known is May 24<sup>th</sup> 1872. The counterfeiters noted the change of plate number and made a new forgery of plate 6. The earliest counterfeit plate 6 we have noted is October 3<sup>rd</sup> 1872 and the latest June 13<sup>th</sup> 1873.

Thus the fraud was going on at this one office for over a year, and it does not seem improbable that, as the printers went to press in November 1872 with plate 7, the forgers might have laid their plans to counterfeit plate 7 in readiness for the time when the stock of the genuine plate 6 had been exhausted at this office.

In one of the lots that have turned up, over a hundred of the forgeries (of plate 5) were found bearing the postmark of one date, and these probably represented only a fraction of the forgeries that were used on that day. It is extremely unlikely that the copies known to collectors represent more than an infinitesimal portion of the quantity that were used to defraud the revenue. But sufficient copies with intervening dates are now known to satisfy us that the conspirators were actively engaged in their nefarious business throughout the period between June 3<sup>rd</sup> 1872 and June 13<sup>th</sup> 1873. The dated copies known are: -

1872	June	3	12	13	17	28
	July	1	16	23	26	
	October	31				
1873	June	13				

If only 100 copies were passed daily – the number which leaked out in a single parcel purchased by one dealer and bearing one date – that would mean a £5 haul daily, or (excluding Sundays) £1,570 a year. But all the indications – including the range of variety of the check letters – raise the suggestion that it was considerably in excess of this figure, and may have reached, as one estimate has put it, £50 a day (1,000 forged stamps) or £15,000 to £16,000 a year.

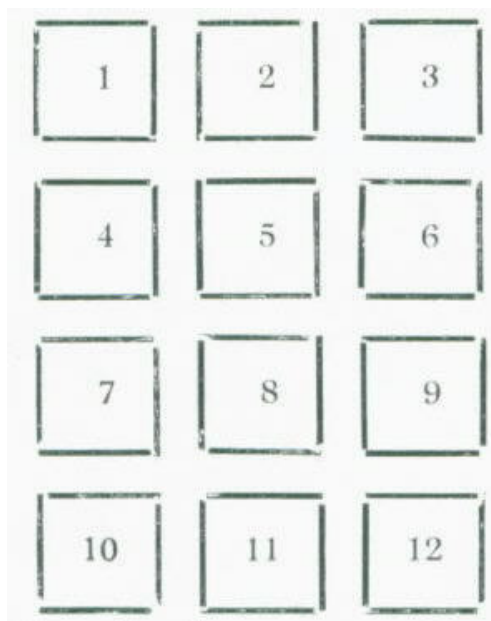


FORGERY.

## VI. – THE GENUINE SHILLING GREEN

The One Shilling green stamp, which figures as the basis for the forgery, was typographed and presents a diademed profile of Queen Victoria to the left, on a lined background, forming an oval medallion with an oval frame, inscribed “POSTAGE” at the top, “ONE SHILLING” below, in uncoloured letters, the intervening space being filled by an uncoloured reticulated pattern, interrupted at the centre left and right by the small tablets bearing the uncoloured figures “5” or “6” denoting the plate number; outside the oval the four corners have solid tablets of colour with large uncoloured check letters and a closely reticulated pattern fills up the spandrel spaces, the whole design being enclosed within a double-lined frame.

The genuine plates were composed of 240 reproductions of the die arranged in twelve panes of 20 stamps, the panes being disposed in rows of three: -



The check letters in the angles were introduced with the idea of complicating the task of anyone attempting to counterfeit British stamps, and of preventing the use of clean portions of used stamps pieced together for fraudulent re-use. Each stamp on the plate bears a different lettering arrangement, and the lettering on the One Shilling green was similar to that of the One-Penny line-engraved stamps, although separated into panes.

The lettering of the top three panes is worked out as follows: -

AA	BA	CA	DA	EA	FA	GA	HA	IA	JA	KA	LA
AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL
AB	BB	CB	DB	EB	FB	GB	HB	IB	JB	KB	LB
BA	BB	BC	BD	BE	BF	BG	BH	BI	BJ	BK	BL
AC	BC	CC	DC	EC	FC	GC	HC	IC	JC	KC	LC
CA	CB	CC	CD	CE	CF	CG	CH	CI	CJ	CK	CL
AD	BD	CD	DD	ED	FD	GD	HD	ID	JD	KD	LD
DA	DB	DC	DD	DE	DF	DG	DH	DI	DJ	DK	DL
AE	BE	CE	DE	EE	FE	GE	HE	IE	JE	KE	LE
EA	EB	EC	DE	EE	EF	EG	FH	EI	EJ	EK	EL

The letter in the lower left corner indicates the horizontal row in which the stamp occurs, the letter in the lower right corner denoting the perpendicular column. The letters in the upper angles are simply those of the lower angles reversed.

Apart from breaking up the 240 stamps into panes, it will be seen that there were twelve stamps in a horizontal row across the sheet, and twenty in a perpendicular direction down the sheet. Thus the lettering in the bottom left angle goes from A to the twentieth letter of the alphabet, T; and the right angle is occupied by the letters A to L, the twelfth letter.

The significance of this lettering to the present subject is that some of the counterfeits bear lettering arrangements that could not have occurred in the genuine stamps.

The paper used for the genuine stamps was that with the "spray of rose" device; the colour of the ink used by Messrs. De LA Rue & Co. ranged from green to yellowish and blush green. The perforation was done on a comb machine gauging 14.





Of these the following are letter combinations, which could not possibly occur in the scheme of the lettering of the genuine plate: -

BP	BS		
DM			
EM	EN	EP	ES
FP	FS		
KM	KS		
PM	PN	PP	PS

It is remarkable that in no case were two forgeries found used together, a precaution probably suggested by the fear that in combination the check letters might attract attention. From the variety of check letters here recorded, (sixty-three), it is impossible to gauge the full size of the sheet of the forgeries, but as the known copies account for more than a quarter of the 240 of the genuine plate, it seems likely that full sheets, or at any rate half sheets, (120), were made. But no marginal copies of the forgeries have ever been found.

Although never used in pairs, the forgeries exist used together with genuine stamps of other denominations, including the three pence plates 7 and 8, the six pence chestnut plate 11, the nine pence buff plate 4 and the two shilling blue plate 1.

## VIII. – THE COUNTERFEIT PLATE 6

The forgeries of plate 6 were not known until 1910 when a further leakage of stamps torn from old telegraph forms occurred, and amongst the lot that reached the stamp market was a quantity of counterfeits, this time of the later plate of the One Shilling Green.

Since the making of the earlier forgery, the counterfeiter had evidently gained additional skill, for the forgeries of plate 6 are more successful imitations than those of plate 5. No doubt, too, the forger had found the defects, or some of them in his earlier work, and strove to avoid them in the new reproductions. The uncoloured lines round the plate number tablet, which were too thin and badly formed in the forged plate 5, are rather too clear and pronounced in the forged plate 6, while the figures “6” are larger and bolder than in the genuine stamps. The outline of the eye forms a heavy lined triangle in the forgery, and there are only two lines of shading on the eyeball. The undulating lines beneath the eye are continuous in the genuine stamp, but in the forgery they are broken immediately below the angle formed by the outline of the eye. The reticulated network in the oval band round the medallion is slightly different. The uncoloured letters forming the inscription are not so well formed as in the original; the final “G” in “SHILLING” instead of having a bold perpendicular tail has the tail badly formed, so that until examined closely it appears to be curved and slightly ornamental. The “whites” of the letters “ONE SHILLING” are interrupted with lines of colour and blotches, especially in the letters “N” and “H”. The square blocks on which the corner letters appear almost touch the oval band in the forgery, although they are well apart in the genuine stamp.

The dated copies of the forged plate 6 are October 31<sup>st</sup> 1872 and June 13<sup>th</sup> 1873.

The corner letterings known are as follows: -

A row	A					
B row	E	M	Q			
C row	B	C	D	T		
D row	F					
F row	E	I				
G row	F					
H row	F					
I row	L					
K row	D	Q	R			
L row	E	M	N	Q	R	
M row	I	Q	R			
N row	E	I	N			
O row	R					
R row	B	G	K	O	R	T

The total is only thirty five against sixty three known for plate 5 forgeries, but they include a larger proportion of letterings impossible to the official scheme of lettering: -

BM	BQ		
CT			
KQ	KR		
LM	LN	LQ	LR
MQ	MR		
NN			
OR			
RO	RR	RT	

## IX. – A MUSE ON THE MYSTERY

“O sweet fancy! Let her loose” sung Keats, “Ope wide the mind’s cage door”. For where Clio writes not her own sequel plain as truth for us, the fairy finger of fancy may put conjectural final touch to the story of a great mystery.

Fancy pictures a slim youth of sharp features and keen, shifty eyes. As we see him behind the cage at the Stock Exchange Telegraph Office in 1872, he appears to be just arrived in the twenties, but may be as far as twenty-six. A postal servant, he is attentive and agreeable. It was indeed obliging of him to stick some of those stamps on for us. One is pleased to meet a human being behind the post office counter and not an automaton that works in leading strings of ruddy tape.

Another twenty-six years. Fancy pictures a scene in the hurly-burly of Newmarket Races in July 1898. There on a pedestal in Tattersall’s Ring, or wherever it is the gentry make (not write) books, is a man of goodly girth and raucous voice. Little of the early aspect of the Circumlocution Office is here; the postal service was for him the bottom rung of ambition’s ladder, from which he stepped to more congenial occupations. Retiring early from the Post Office with his wealth unknown, and unsuspected by family and friends, what more natural than for them to hail his subsequent fortune as a brilliant success on the turf?

After twenty years of half forgetting and by the world forgot, the headlines in the newspapers of July 23<sup>rd</sup> raise the long buried spectre of his dreams. In the bar parlour that night he hears talk about our clever Post Office and how it had been swindled out of thousands and never knew about it until a clever stamp collector found it out.

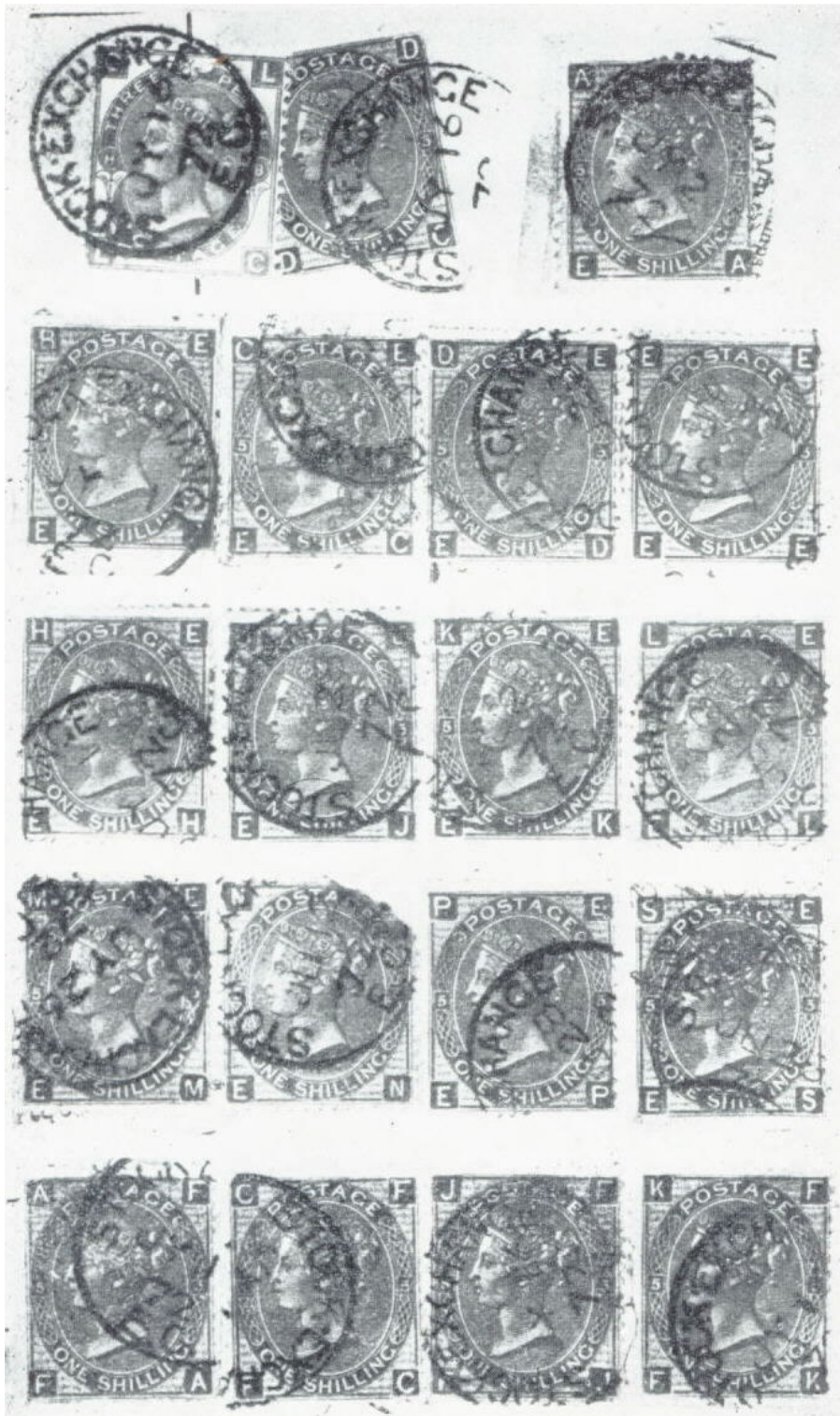
Was this his curse come home to roost?

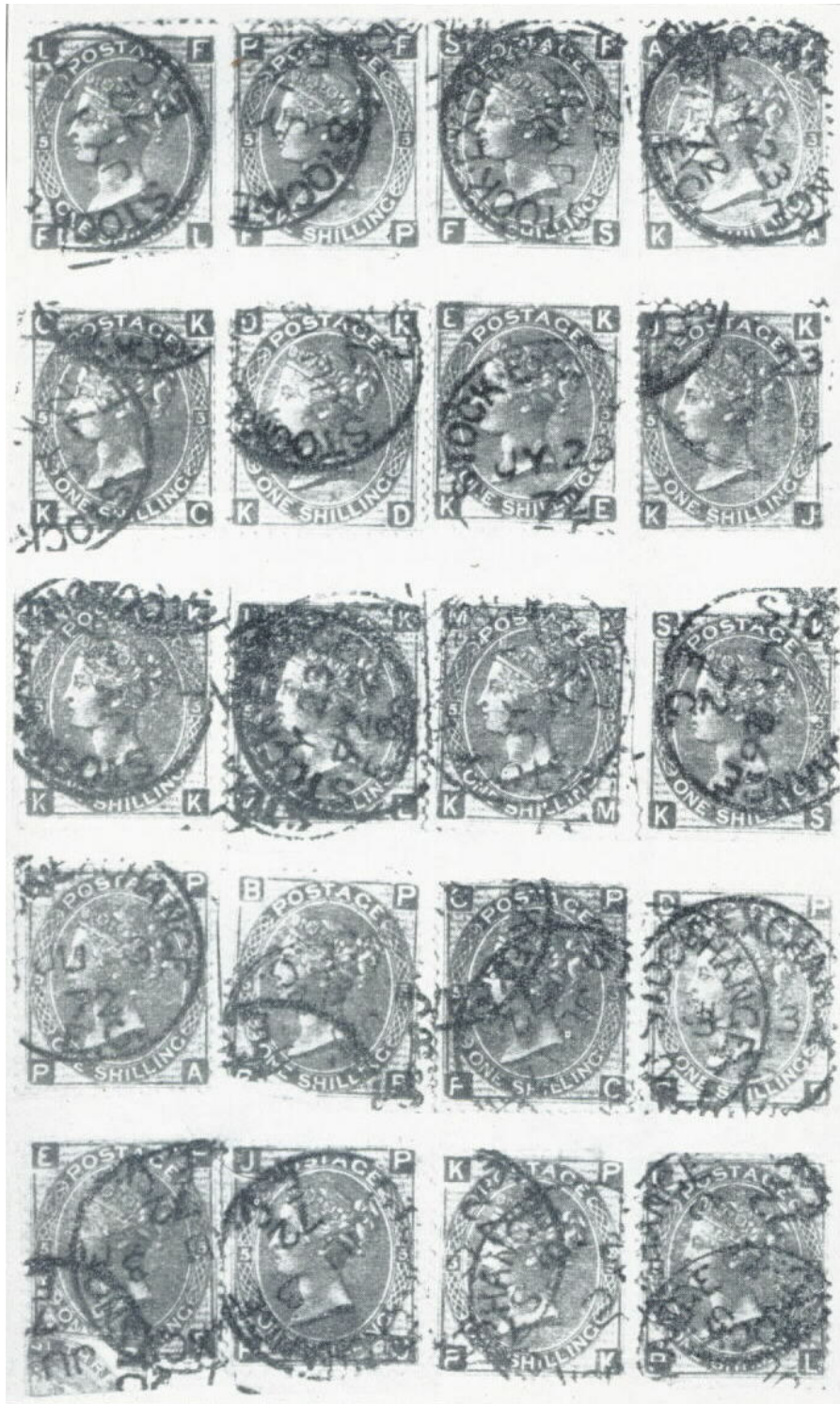
Again twenty-six years on. The scene is a somewhat pretentious corner “public”. Well stricken in age, but still of goodly girth and excellent appetite, we may still suspect that life has dealt less kindly with “mine host” than society. Many the time the conscience that makes cowards of us all must have sicklied o’er the cockney hue of his resolution with the pale cast of thought. But the fears of the seventies, the tightening of the heart strings in ’98 when the spectre was unearthed and in 1910 when it rose again on the fresh discovery of the plate 6, these fears have passed. The sleuths who failed him in 1898 he feared less in 1910, and so in the full span of life his mind is tranquil and his secret still locked in his heart.

He might, if he chose, tell us who forged the 1s green. I wonder if I could bribe the old gentleman with a pretty gift, say “a spray of rose”

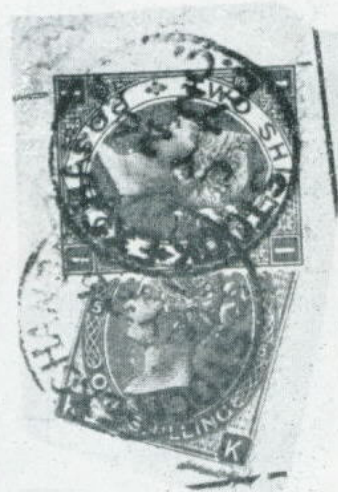




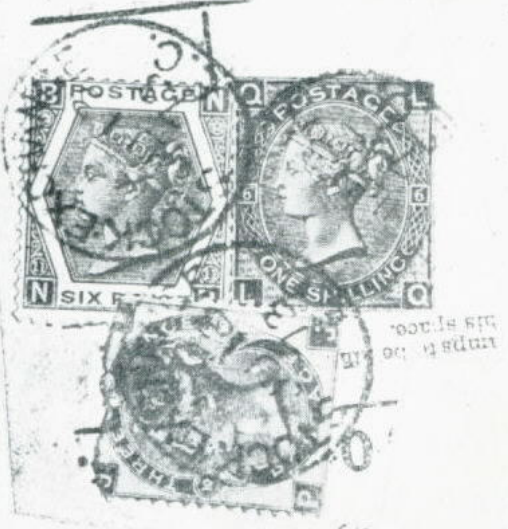












X. - ADDITIONAL PICTURES

PLATE 5

















TELEGRAPHS. No. of } 2867  
Message } .....


From Stock Exchange Offices only.

RATES.		Postage Stamps to be affixed in this space.	Dated Stamp.
s.	d.		
.....	.....		
.....	.....		
.....	.....		
.....	.....		
.....	.....		
.....	.....		

To

**OFFICE TELEGRAPHS.** No. of }  
 Message } .....

**Messages forwarded from Stock Exchange Offices only.**

Transmitted.	CHARGES.		Postage Stamps to be affixed in this space.	Dated Stamp.
	s.	d.		
.....	Telegram .....	.....		
.....	Reply .....	.....		
.....	Extra Copies .....	.....		
.....	Porterage .....	.....		
.....	Total .....	.....		
<i>To</i>				

These items, including the one following, have been mounted on top of telegraph forms to show how they would have originally appeared. The embossed stamp visible have no relation to the forgeries and are part of the later forms used for telegraphs

R A P H S.

No. of }  
Message }

ARGE.

Counter Clerk to write M. M. Instructions here.

How Paid.	a.		d.	
	In Stamps.....			
In Money .....				
Total .....				

Office of Origin \_\_\_\_\_

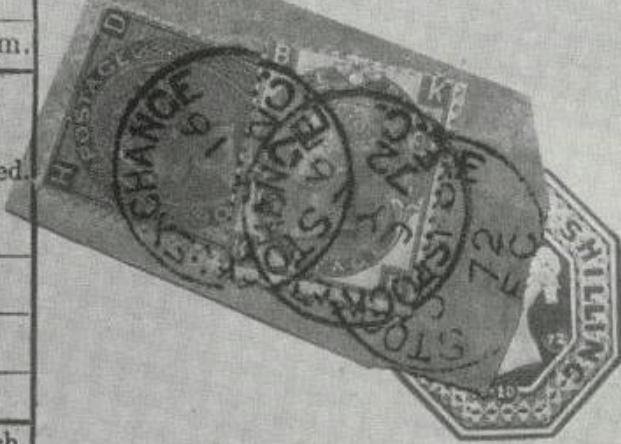
The charges for transmission, portorage, &c., are, as far as is possible, to be paid by postage stamps affixed below.

The stamps must be cancelled with the Office Stamp.

N. B.—The Message must be dated, either with the Office Stamp, or in writing.

ed not to write in or over them.

be written in words.  
om the Telegram is to be delivered.

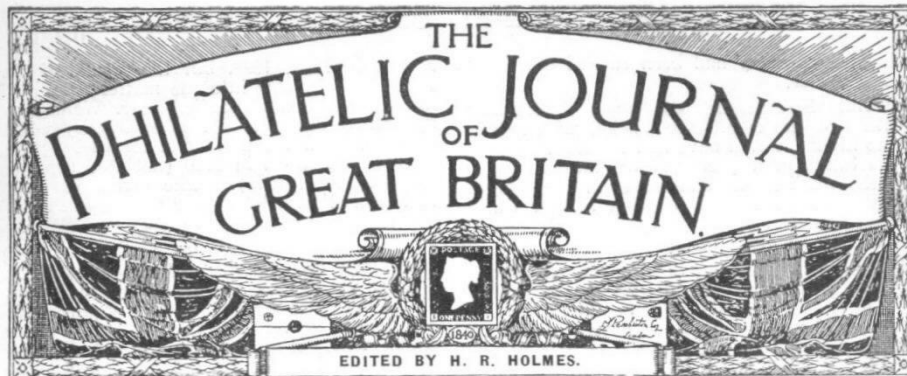


ritten in the five spaces into which  
ten on ordinary paper attached to

X. - ADDITIONAL PICTURES

PLATE 6





WITH WHICH IS INCORPORATED THE "STAMP COLLECTOR."  
The Official Organ of the International Philatelic Union, the Manchester Philatelic Society,  
the City of London Philatelic Society, the Herts Philatelic Society, and the Birmingham  
Philatelic Society.

No. 566. VOL. XLVIII. FEBRUARY 1938.

PRICE 4D.

## The "Stock Exchange" Forgery.

THE recent sale by auction of a specimen of the 1s. green forgery of 1872-1873 and the attendant Press comments thereon, have resulted in the publication of some very interesting reminiscences by Mr. A. J. Waldegrave, formerly Deputy Comptroller and Accountant-General to the Post Office. Mr. Waldegrave gives details of the rather belated official investigation of the fraud and the results thereof, which have not hitherto been known to philatelists. His recollection plays him false as regards the date of the discovery of the forgery and in some minor facts, but they do not detract from the interest of the information which he is able to reveal. Writing in the *Observer* for Sunday, 23rd January, Mr. Waldegrave says:

"It fell to me while I was in the Accountant-General's Department of the Post Office to help in investigating the circumstances of the forgery. This, if I remember rightly, was in 1912, the forgery having come to light forty years after the event, and not twenty-five.

"The stamps came on the stamp market, not by purchase from the Government (the Post Office does not augment its income by the undignified procedure of marketing old stamps—a procedure to which the stamp dealers would no doubt object), but by purchase from some workmen engaged on repairing the roof of an old paper-mill, still in existence near Watford, known as Hamper Mill.

"This mill belonged to a Mr. Joseph Smith, who in 1912 was over ninety and was living at a house called "Wiggenhall," since bought by the Watford Corporation.

"In 1872 Mr. Smith had gone out of the paper-making business, and, eccentrically, had simply closed the mill, leaving the stock of waste-paper, waiting to be pulped, just where it was.

"There it lay, tons of it, untouched, except by rats, for forty years. Among this waste-paper were many sacks of telegram forms, dated 1871-72, with the stamps affixed. These forms had been sold by the Post Office to a contractor who undertook to have them pulped within six months.

"If he had carried out his contract the forgery would never have been discovered. But he sold them to Mr. Smith, and the latter, as he was prompt to explain, when I saw him, was under no legal obligation to destroy the stamps. I recall the chuckle with which the old man made this point when showing me the invoice relating to the transaction, which he was still able to produce.

"The workmen who helped themselves to the telegram forms, ignorant, of course, of their exceptional value from the philatelic point of view, kept in the background, and the source from which the stamps had come might have remained unknown had the men not quarrelled among themselves, with the result that one of them sent an anonymous letter to the Post Office giving the information.

"The sacks of telegram forms were repurchased by the Post Office, and, after an examination which confirmed the suspicion that the forgery had actually taken place, the forms were destroyed.

"It was scarcely to be expected that light could be obtained on the circumstances in

which the forgery had been carried out forty years earlier.

"But here came the most interesting feature of the case. The official, who to put it no higher, would have had the most obvious opportunity of disposing of the forged stamps to the public, was still alive, at the age of eighty, and had been drawing a Post Office pension for forty years, having retired in 1872, at the age of forty, on grounds of ill-health.

"He was interviewed—one would like to know his emotional reaction to the news that the interview was to take place—but if he had any secret which he might have revealed he did not reveal it, either then or during the further years of his life.

"It is to be regretted that a story which comes so near being truly dramatic just falls short."

The forgery was discovered by Mr. Charles

Nissen in May, 1898, but the results of the Post Office inquiry into the matter then have never been made public. Mr. Waldegrave apparently refers to a further inquiry which followed upon the finding of forged 1s. green stamps of Plate 6 in 1910 (not 1912 as given by Mr. Waldegrave). The earlier discovery had been of forged 1s. green stamps of Plate 5.

Mr. F. J. Melville some years ago collected all the available information on these forgeries in a small book entitled *The Mystery of the Shilling Green*, and therein related the history of the fraud as far as was then known. Mr. Waldegrave's reminiscences are a useful supplement. It is interesting to note that Mr. Melville, writing of the unknown forger, in a pleasant chapter wherein he let his fancy roam, suggested that he retired "early from the Post Office with his wealth unknown." Truly a bull's-eye in the dark!

H.R.H

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# Stock Exchange forgery

## Philatelic Treasures

The Stock Exchange forgery is possibly the most famous of British stamp frauds.

This first came to light in 1898 when supplies of used 1-shilling green stamps from the 1872-73 telegraph forms, originating at the Stock Exchange Post Office, first came on to the philatelic market.

Charles Nissen, a renowned philatelist of the day, noticed that a proportion of these were skillful forgeries.

They were evidence of a successful and lucrative fraud carried out some 25 years earlier.

The culprit has not been identified to this day, and it is assumed that one of the counter clerks at the British Post Office must have been handling the forged stamps on telegraph forms.

This would seem to be the only likely explanation and would mean that the fraud would be virtually untraceable, as only the perpetrator would actually handle the forged stamps.

The forgeries, on close examination, are found to have no watermark and not to be as finely produced as the genuine stamps.

The forgeries were typographed singly, the stamps of plate 5 being more crudely produced than those of plate 6.

Several different letterings have been found, some of which are impossible as no



Examples of the British Stock Exchange forgeries are part of the Reginald M. Phillips Collection. (Photo courtesy of the British National Postal Museum)

such combination of letters appeared on the genuine sheets. (Both plates 5 and 6 were in current use at the time they were forged.)

Several examples of these

well-known forgeries can be seen in Volume XXXV/37 of the Reginald M. Phillips Collection on display at the British National Postal Museum in London.



The article on the previous page is from an American magazine. The date and source are unknown. The pictures illustrated in the article are shown in colour earlier in this document.

18 LINN'S STAMP NEWS SEPTEMBER 5, 1983

## Famous British stamp fraud

It is not often that a stamp forgery can be considered a gem, but the British Stock Exchange forgeries must be classified as such.

After all, this is the most famous of all British stamp frauds.

As was stated in last week's

He came across a few unusual copies. At first he could not determine what was wrong, but the stamps did not look right.

Most were blurry. Then he came across one with an impossible combination of letters in the corners. He knew they

Although the forger has never been identified, he has been recorded in history as the creator of probably the only British forgery successfully produced to defraud the Post Office.

Collectors must note that this forgery was created to defraud the Post Office, not philatelists.

It is believed that a clerk at the British Post Office probably forged the stamps to cheat the Post Office out of revenue from the telegraph service.

He probably accepted the money for the stamps from the sender, but affixed the forgery instead of the genuine 1/-.

Thus, he was able to pocket the money without depleting his stock of genuine stamps.

The forgeries were typographed singly on unwatermarked paper. They are not as sharp in appearance as the genuine stamps, and those from plate 5 are more crude than those of plate 6.

All are canceled with the Stock Exchange Post Office marking from which they received their name.

Several examples are part of the Reginald M. Phillips Collection in the British National Postal Museum, London, England (*Linn's* Oct. 18, 1982, page 20). ■

### Philatelic Gems

By Donna O'Keefe

Philatelic Gems, the British Post Office took complete control of the telegraph offices in that country in 1870.

Prior to the issuance of telegraph stamps by the Post Office in 1876, the charges were covered by the use of contemporary postage stamps.

The initial rate was 1 shilling up to a maximum of 20 words with 3 pence for each five additional words.

It was not uncommon to find these stamps used on telegraph forms.

However, in 1898, a British stamp dealer, Charles Nissen, was examining his stock, which included several telegraph forms bearing copies of the British 1867 1/- stamps.



**The Stock Exchange forgeries are found on old British telegraph forms. The forgeries were not discovered until more than 25 years after they were created to defraud the British Post Office.**

must be forgeries.

He reported his find to the postal officials, but it was more than 25 years after the forgeries had been created. It was impossible to track down the culprit.

## Philately's Perfect Crime

By ARTHUR W. JAHN  
*Reprinted from Scott Monthly Journal  
December, 1935*

Forgeries and counterfeits are by no means rare as far as philately is concerned. But when a forged stamp is the key to a "perfect crime" mystery which has never been solved, then it is time to bring to light the story of the "perfect crime" of philately.

It seems fantastic that a stamp with a face value of only one shilling could be so well counterfeited as to probably have defrauded the English government of £15,000 in a single year! But such is the case, and therein lies our story.

The period in English history with which we are concerned are the years between 1870 and 1873. In this period all communications, with the exception of the telegraph, were under direct supervision of the Post Office. The telegraphs were guarded very closely by private enterprises until 1869 when Parliament passed a bill giving the government the right to buy all the telegraphs of the United Kingdom, and run them under direct supervision of the Post Office Department. The transfer of ownership took place in 1870.

Due to the confusion caused by the different rates charged by the individual companies, the Post Office made a new schedule of rates for telegraphs, the cost depending upon the number of words and the distance the telegraph was traveling. In the first year (1870) under the new rule 8,000,000 messages were sent, and by 1873 the government had more than doubled its telegraph business, or received revenue from 17,000,000 messages. It is at this point that the innocent looking Great Britain No. 54 (Scott) enters our story.

Because of the pressure in the organizing of the new branch, special stamps for franking telegraphs were overlooked. Therefore, the government decided to use the then current one shilling green until such a time when special stamps could be designed.

The one shilling green is an innocent enough looking stamp, watermarked "spray of rose" on white paper. It is this that proved to be the underlying factor in the discovery of the counterfeit stamp, for had the counterfeit been watermarked "spray of rose", it is a matter of speculation whether or not the forgery would have been discovered.

As for the background, the entire story takes place in the telegraph office of the London Stock Exchange, since it is here the only counterfeits were found.

We can imagine a broker walking up to the telegraph window with a message written on

a telegraph blank. As the message is to be transmitted locally, the clerk hands him a one shilling stamp to be affixed. The stamp is pasted on the message by the sender and is handed back to the clerk who cancels the stamp and transmits the telegraph.

But the stamp the clerk gives the broker is not a genuine copy, but one of his own making! And so well made that not one of his clients ever questioned the authenticity of the stamps.

Because all the stamps come from one source, the possibility of being discovered is lessened. In this way, one clerk can handle the whole outlet of the stamps. The clerk hands the stamp to the client, who is probably in a hurry to get his message on the wires, and is not interested in the shade or the letters in the corners of the stamp. The man attaches the stamp and hands the form back to the clerk who is only too courteous and willing to help hurry the message along. In this way he uses his cancelling machine to cover any defects in the printing. This finished, he turns around and probably passes the time of day with his customer.

What could be more simple? The clerk passing off counterfeits and pocketing the money. Just imagine, if he passed 50 copies daily he would net £2, 10sh, and in the event that he were able to pass 1,000 a day, he would net £50 in a single day.

In any case, the clerk probably made himself handsomely wealthy, as it was some four years before a new and special stamp was issued for telegraph use only.

It was not until 1898 that the counterfeit was discovered, giving the clerk some twenty-five years to cover his trail, and not until 1910 was fresh evidence brought to light, substantiating the old facts.

Now in 1935, there is still no way of checking on the clerk, so we can close our "perfect crime" with the thought, that were we able to locate the clerk, perhaps we could bribe him with a "spray of rose" for his lapel to tell us who made the plates from which the forgeries were printed.

### Note By Editor

The so-called "Stock Exchange" forgery came to light in 1898 when old telegraph forms from the Stock Exchange Post Office reached the philatelic market. Charles Nissen, a ranking British philatelist, discovered that some of the 1 shilling stamps on the forms were forgeries, lacking the watermark they should have had. Today, copies of these forgeries are sought avidly by specialists and examples bring far more than copies of the genuine No. 54 which is listed used at \$1.75 in the 1975 *Scott Catalogue*.