

CROSS COUNTRY CHIP CHASING

AS GAMING SPREADS ACROSS THE U.S., SO DOES CHIP/TOKEN COLLECTING
By Mike Epifanio..... "Casino Player Magazine"

One of the fastest growing hobbies in the United States during the past year has been gaming-token collecting. Americans have always been preoccupied with collecting things—whether it's stamps, coins, baseball cards or stuffed animals. So when you consider the virtual explosion of casinos, riverboats and gaming establishments taking place in the '90s, it's no surprise that people are going crazy over gaming token collections.

Expansion in gaming results in the production of thousands of new chips and tokens to accommodate the influx of gamblers seeking to explore wagering in new venues across the country. The expansion is not only beneficial to large casino companies and suppliers to the industry, but to chip and token collectors as well. As collectors of gaming chips and tokens grow in numbers, so does the membership of the Casino Chip and Gaming Token Collectors Club (CC>CC).

Archie Black, the club's president and original organizer, says that in the beginning, he had no idea how much interest there would be in a club of this nature. "We just wanted to start some communication among ourselves, and hoped that others might become interested," said Black. It would only be a matter of time before Black and his fellow collectors found out exactly how much interest there was.

The Club, which started in 1987 with around 20 members, now has a total membership of over 1000 people from almost every state and from foreign jurisdictions including England, Portugal, Germany and Canada.

Beginning of The End

While few members collect the chips and/or tokens as investments, most do so for the enjoyment of organizing and showing off the items they accumulate. Most club members started their collections by keeping tokens or chips from casinos they had visited.

"For me, what turned my souvenirs into the beginning of a hobby was the Frontier," said Michael Knapp, the club's secretary. "I had brought a chip home from the Frontier the first time I visited Las Vegas for a professional seminar. I then read that the hotel had started as the Last Frontier, and later became the New Frontier. I thought it would be neat to have a chip from each of the earlier casinos along with the current one. That was the beginning of the end for me."

Many collectors start the same way Knapp started and then expand their collections to include certain types of chips or tokens they find especially interesting. For Black, his collection consisted, in the beginning at least, of only New Jersey tokens. He gathered tokens from towns celebrating anniversaries or other commemorative tokens relating to New Jersey. It was natural to include Atlantic City casino chips into this group. Now Black claims to be in possession of the only complete set of all the chips (up to \$100 value) that were ever issued in Atlantic City's casinos—all but one. The \$100 Brighton chip.

With so many chips and tokens available, it is becoming more and more necessary for collectors to limit their collections in some way. Some members, like Black, collect only chips from a particular state. This is the case with many of the California CC>CC members who collectively comprise roughly 50 percent of the club's membership. The same goes for the plethora of gaming jurisdictions which just legalized gaming during the past couple of years. For example, since Colorado legalized casino gaming in 1991, the club has been signing up a lot of new Colorado members who are interested primarily in Colorado chips, says Black.

Not only do collectors categorize their chips and tokens by location, but by denomination. A lot of collectors only collect dollar chips or five dollar chips while higher denominations are generally not in high demand. There just aren't enough collectors who are willing to fork out the money for the higher-value chips and therefore, most chips with values above \$5 are worth less than their face value. On the other hand, many \$1 chips sell for \$3 and up.

So what makes a chip more or less valuable? "Chips are like any other collectible, rarity and demand fix the price. Old chips not available in great numbers have increased in value," said Knapp.

Hot Chips

When the Silverbird Casino in Las Vegas closed, a chip dealer was able to purchase a huge block of the obsolete chips. The dealer then sold the chips to collectors who thought the chips would be collectors' items and as it turned out, everyone and their brother had a Silverbird chip. Anyone could buy boxes of 100 obsolete chips for \$10 whenever a casino went bankrupt or changed names in Nevada. Therefore, the chips weren't worth much. You can't do that anymore there and you never could in Atlantic City.

New Jersey has a law that requires the destruction of chips once they become obsolete. So, when a casino closes or replaces an old chip with a new design, all of the leftover chips are destroyed. For

this reason, New Jersey chips become collectible immediately after they are taken off the tables.

Anyone who has a chip from one of the casinos that have come and gone in Atlantic City most likely has a chip that is in demand. Also in demand are old chips or tokens from casinos which have changed to a new design such as Resorts's chips. There have been three different issues of \$1 chips at Resorts. According to Knapp, the second issue is more rare than the first, although both are expensive by chip standards. Word has it that Resorts may even switch a fourth time—to chips that say "Merv Griffin's Resorts" on them.

Trump's Castle was originally supposed to be a Hilton, and so, when they opened, they were using Hilton chips for the first couple of months. Now the chips are going for fifty times their value. TropWorld is still using the old Tropicana chips—they should be switching sometime soon and collectors are waiting with baited breath.

One of the hottest finds for collectors is a chip from a Cuban casino. "Myer Lansky controlled Cuban gaming after Battista gave him the concession for it. Then, when Fidel Castro rose to power in the '50s, he did away with the casinos. The trade embargo on Cuba prevented chips from getting out. A few have surfaced recently, however, and when they do surface they're often pretty valuable—most are one-of-a-kind," said Knapp.

In With The New

So far, all the collectible chips mentioned have been obsolete chips. But there are some chips that are collectible while they are still in play. Imagine going to the casino, walking up to a blackjack table, purchasing some chips and coming out ahead before you've even made a wager. Impossible you say? Not according to Black. Chipco International Ltd., produced a new headliner series for Caesar's which features the likenesses of several stars making appearances at the casino—those \$5 chips are now trading for \$7 or \$8. And they're still on the tables! How could it be?

"There are people on the west coast who want the chips and they'd rather spend the extra couple bucks to get them through a dealer than to take a trip to Atlantic City," said Black. "On the west coast, Bally's just came out with a Chipco chip with Billy Ray Cyrus on it. East coast collectors are paying \$8 for that chip, too," he added.

It seems Chipco chips are the hottest thing in collecting since the Elvis stamp. And just as the choice between a fat or young Elvis made a stink, so are Chipco's chips. There are some CC>CC members who don't like the new chips. One member likened the chips to "simple minded graffiti on a wall" while praising the old clay chips for their elegance and charm. Black advised the member

that "if there is a sizeable number of folks out there who get a lot of enjoyment and pleasure from collecting manhole covers, who am I to tell you that you should not? If one does not like collecting manhole covers, or if they are priced too high... simply don't collect them and try to be more tolerant of other folks' collecting interests!"

There are also a handful of dealers at some casinos who don't like the feel of the new chips, but remember, you can't teach an old dog new tricks. If you think that change is easy to come by, take a sobering look at our government. The important thing is that there are probably ten times as many people out there who do like Chipco chips, the wave of the future in token production.

The Collectors Are Coming

In years past, casino dealers would give funny looks to people who bought chips and then asked "Do you have a cleaner one of these?" But, now, collectors' requests are taken quite seriously and casinos are becoming increasingly aware and responsive to the desires of collectors. And that makes perfect sense since the casinos make a handsome profit when someone "walks" with a chip. Considering what a casino pays for a chip to be made (under \$1), customers who take \$5 chips out of the house leave the casino with over \$4 profit. New Jersey casinos are trying to change the rule that prohibits them from dispensing chips at cashiers' booths and now it's easy to see why.

Some casino's, like Chipco, are now interested in capitalizing on the popularity of the hobby by pumping out special issue chips or limited edition chip sets. But, Black warns that the casinos should proceed with caution. "Caesars had six different \$5 chips (the David Copperfield, Buddy Hackett, Ray Charles, Tony Bennett and Ann Margret chips from the celebrity series plus the regular \$5 Chipco) in play when I visited in late December. That could be an instant collection or it could be too much for a collector who doesn't have \$30 to spend," counselled Black. Perhaps Atlantic City has already reached its threshold of chip production—beyond which further production will only devalue new chips. Then again maybe there's still a long way to go before chip values reach a plateau.

Regardless of the number of chips yet to be issued, there are still enough for current collectors to clamour over. So many, in fact, that CC>CC will be holding its first casino collectibles show from April 29 through May1, 1993 at the Alladin Hotel and Casino on the Las Vegas Strip. The show will be the largest single show devoted explicitly to gaming collectibles. CC>CC is affiliated with the American Numismatic Association and usually holds its annual

meeting in conjunction with the convention of the larger coin collectors' group. The convention organizers are hoping that this first independent effort will be a success. For more information about the convention or about club membership, write Michael Knapp, Secretary, 5410 Banbury Drive, Worthington, Ohio 43235.

Extracurricular Activities

Knapp's interest in chip collecting led him to investigate the origins of his chips and also to find out about the history of the gaming houses themselves. Eventually, he had gathered so much information that he decided to collaborate on a book to serve as an aide to collectors wishing to research their chips and tokens. His book, *The Gaming Table*, provides a cross-indexed listing of names, addresses and locations of over 6,000 casinos, legal and illegal, from over 100 countries—many with opening and closing dates.

Knapp is not the only member of the CC>CC who's interest in collecting led to writing about the subject. Black, too has taken to the printed word in order to facilitate communication among the numerous members. "It became cumbersome to write letters to our membership as the club got larger—so our newsletter evolved and eventually went national," said Black. He now serves as the editor of *Casino Chip and Token News*, the club newsletter, which keeps getting bigger. It seems fitting that the winter '93 issue of the newsletter was the largest yet, after the club signed 80 new members between the 4th quarter of 1992 and the 1st quarter of 1993.
