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**THE \$8,000,000  
EUREKA BAR**



For more information  
on this National  
Treasure contact:

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**TOLL-FREE: 1-888-751-1933**

Or on the web:  
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# THE EUREKA BAR



A close-up of the Eureka Bar, a true national treasure

## \$8 MILLION NATIONAL TREASURE

BY MARCY GIBBEL

### **B**ig deal!

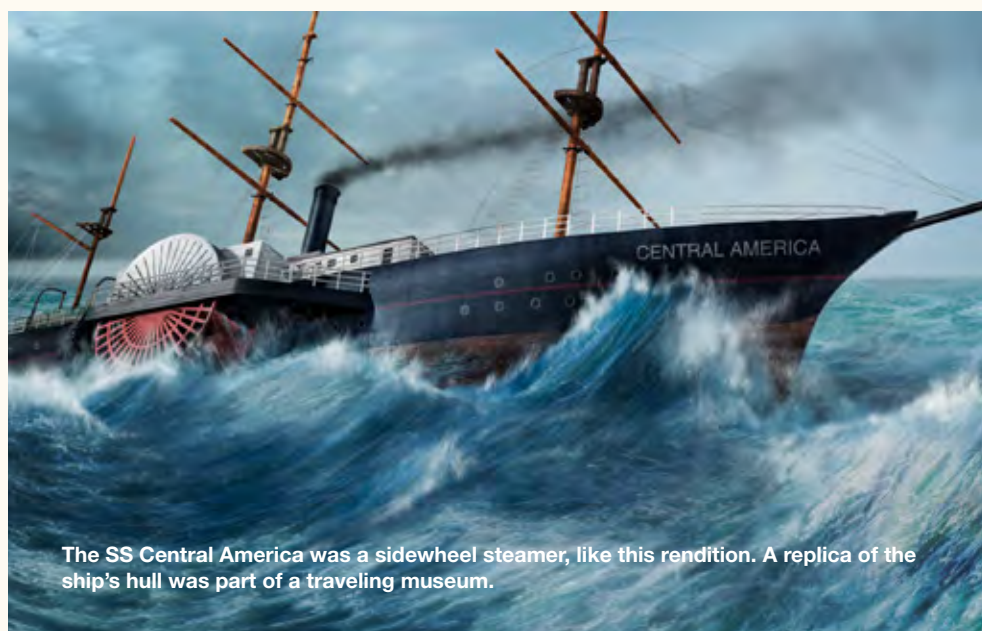
That's what's being said about the \$8 million sale of an 80-pound gold bar nicknamed "Eureka" that was salvaged from the SS *Central America* shipwreck.

Monaco Financial, LLC, in Newport Beach, California, sold the assay bar to a private collector in the highest-priced transaction ever carried out involving a single numismatic item—a very big deal indeed! Prior to this sale, the record was \$4.14 million—the amount paid in August 1999 for the Childs specimen of the 1804 silver dollar.

The California Gold Marketing Group, a consortium of coin dealers and investors that purchased and marketed 90 percent of the SS *Central America's* treasure, previously had turned down an offer that to most was a reasonable one.

Larry Goldberg, a principal in the California Gold Group, had this explanation: "We had turned down some time ago \$7 million for the bar, and we felt that the price it was transacted at, \$8 million, was very fair. No museum in the





The SS *Central America* was a sidewheel steamer, like this rendition. A replica of the ship's hull was part of a traveling museum.



world has a bar like this, it doesn't exist anywhere, and this is a unique item. If it was a famous painting, you're talking about something that would bring maybe \$100 million, so it was good value for the client who bought it."

The bar's new owner is described only as a "Forbes 400 business executive." For him, it's not about the money. It's about adding to his private museum of various collections, including a rather substantial coin collection.

Said Adam Crum, vice president of Monaco Financial: "He has an appreciation for art and fine collectibles and likes to surround himself with it. In his lifetime, his treasures will never be sold."

The Eureka bar was viewed by millions of people before it disappeared into the purchaser's "black hole" of collections. It appeared on "The Today Show" and other TV programs in early February 2000 before becoming the centerpiece of a \$20-million touring "Ship of Gold" exhibit.

The exhibit crisscrossed the country, stopping at museums and conventions from Long Beach to Philadelphia. The bar was displayed along with dozens of smaller bars and gold coins from the SS

*Central America* in a 30-foot replica of the ship's hull. Smaller than a loaf of bread and weighing in at 933.34 ounces, the Kellogg & Humbert bar sat on crimson velvet inside a binnacle, a brass pedestal with a glass top that usually houses a ship's compass.

While the display was amazing, it was just as fascinating to see visitors' reactions to the bar. People stared at it in wide-eyed wonderment, holding on to the handrail around the outside of the display to get a closer look. Crum compared it to viewing a stunning display at the Smithsonian Institution.

"If you go to the room where the Hope Diamond is and watch the reaction, look at the line of people—they're standing in line to look at this Hope Diamond. It's the only thing that I've ever seen to compare to the Eureka bar exhibit," Crum exclaimed.

"When you go to the ANA convention, and I had the opportunity also to go to the California Historical Society, watching their members stand in line and ooh and aah on an item as if it was a Picasso or Renoir hanging on a wall."

Like a Picasso, or Reuben if you prefer more traditional art, much goes into determining the value of this numismatic item.

Obviously, the Eureka bar is not a coin, but it is a numismatic item. By definition, numismatic items can include coins, medals, tokens, paper money or anything having to do with commerce and financial transactions.

The assay bar certainly appears to have been meant for a single transaction. Its fineness of .903 and its serial number, 1003, are stamped on its face. It is also stamped with its 1857 value of \$17,433.57.

Crum said the only reason to stamp such bars with a value was because they were used in commerce.

"From historical records, we know that transactions were completed with the transfer of bars as opposed to just coins. It's as if it was a \$17,000 bill."

Consider this: In 1858, Irvine Ranch, which made up most of what today is Orange County, California, was purchased for \$41,000. Rather than counting out \$41,000 worth of gold coins, the transaction could have been completed with 2 1/2 such bars. It's not exactly pocket change either way—but in this case, fewer is better.

The disaster killed 435 people, the greatest loss of life on a commercial passenger vessel during the entire 19th century. The news shocked the world and contributed to the financial crash known as “The Panic of 1857.”

In the early days of the California Gold Rush, private mints and assay offices, such as Kellogg & Humbert, Baldwin & Company and F.D. Kohler, accepted gold dust and nuggets from successful '49ers. They processed the gold and cast it into ingots and stamped them with the purity of the gold, the dollar value and the fineness of the metal or metals it was alloyed with.

These gold bars were used to fuel America's pre-Civil War economy. Bars the size of the Eureka bar were most likely destined to make large domestic and international transactions easier, while other bars that went down with the wreck were meant to be melted and turned into coins.

The loss of the SS Central America's cargo was disastrous for many businesses, which couldn't pay creditors or meet payrolls. New York banks began to fail, and stores and factories closed. People panicked, and the nation's economy entered a major recession—a setback that is considered by some to be one of the causes of the Civil War.

Salvaged in the mid-1980s, Eureka still bears the scars of its misfortune—rust and lime-

stone have discolored the lower part of the brick—reminding us that there is a human element involved, too.

For example, gold was going for \$20.67 an ounce at the time, and it probably would have taken 12 miners more than a year to find that much gold.

Survivors' accounts told of passengers who acquired their wealth prior to the Gold Rush, as well as those who were miners returning to the East Coast to invest their newfound wealth. Some passengers were headed to retrieve their families and return to California and its opportunities. And all were enthusiastic about their future.

Said Crum: “The human story here to me is the most interesting thing. These people had more money in their pockets than most people were ever going to make in their lifetime as a result of going out there and doing what they did in San Francisco. And then knowing that they literally had come to the end. The gold became meaningless at that point.”

On Jan. 11, 2001, Crum had the opportunity with Bob Evans, a geologist who is the gold's chief caretaker, to enter the vault where the bars were being stored.

“It's hard,” he said, “to explain to someone who hasn't experienced walking in there and seeing four shelves going all the way

around three walls of this vault full of these bars, and then seeing two shelves that had the monsters on them and the electricity that seems to be alive in the vault. It's like they [the people] have all risen.

“David Bowers and I spoke about this, and a lot of emotion wells up inside when you're around it, especially if you know the story. It's very difficult to explain. It has a life of its own.”

While the touring days of the “largest numismatic item around” may be over, you can still read about the Eureka bar and the rest of the gold.

The tale is told in Gary Kinder's book *Ship of Gold in the Deep Blue Sea*. Kinder blends his narrative of the disaster with the story of Tommy Thompson's discovery and recovery of the treasure.

Q. David Bowers also writes about it extensively in his *American Coin Treasures and Hoards*. In this book, published in 1997, Bowers recalls the ship's story from the moment more than 400 passengers boarded in San Francisco to the legal dispute that occurred once the coins were ready for auction.

The remaining bars have been changing hands at auction sales. There are only 13 Gold Rush-era bricks weighing 500 troy ounces or more known to exist today. Eight of those are now in private collections, with the remaining five available for acquisition as of this writing in early December 2001. Some of the smaller bars have been purchased by private individuals and donated to museums, but a majority of them are out of the public eye.


While Crum has sold two of the larger Kellogg & Humbert bars—certainly big deals for him and Monaco Financial, he has mixed feelings about the sales.

“It's sad to go into the vault now,” he said. “When I saw it, there were 532 bars sitting in there. You go in now and there are 100. You realize it's going away. One side of you appreciates the fact that people are enjoying the treasure and owning it now, and the other side realizes it's gone.

“Once it's gone, you're not going to see these things very often.”

For numismatists and non-collectors alike, that's probably the biggest deal yet.

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For more information about the treasure, contact *Finest Known, LLC*, at (949) 752-1933. View additional images and scheduled tour dates for the *SS Central America* at [www.EurekaBAR.Gold](http://www.EurekaBAR.Gold) 



Pictured here with the Eureka Bar is Chief Historian, explorer, and caretaker of the SS Central America Treasure, Bob Evans.