Here's The Key To Making Thousands By Investing In Baseball Cards

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If you want to be a player in baseball card investing, you'll probably have to swing for well-preserved, expensive cards.

It isn't much different than owning a team, really.

The free-agent vintage cards that have already appreciated are the safest path to big wins in the future, experts told DailyFinance.

Kind of sours those memories of opening a fresh pack and sniffing the gum, or rummaging through your uncle's attic, doesn't it?

Older is better, our experts said. Way better. Anything post-1968 is simply not going to reap the portfolio home runs that profit-minded collectors crave, according to baseballcardbuyer.com's David Hobson, a prominent wheeler-dealer from Minneapolis.

Here's why: New companies entering the market in the 1990s generated a surplus of cards. They also limited the release of so-called "chase cards" to create inflated demand for just a few cards.

Sluggers Mark McGwire, Sammy Sosa and Barry Bonds could have fueled a resurgence, but steroids crimped their cachet. The Internet and video games have done damage as well, luring children away from the simple pleasure of trading.

It's not all bad news, though. The survival-of-the-fittest card commerce means you can focus your search. Just go back back back for the rainmakers. "If you do your homework, there's no doubt there's money to be made," said Joe Orlando, president of the card-grading firm PSA.

Alex Gregg, owner of Alex's MVP Cards and Comics in Manhattan, called Hall of Famers such as Babe Ruth and Ty Cobb the IBMs of the card world — those with steady returns over decades.

But the is the T206 1909-11 Honus Wagner. It makes the go-go days of real estate and stock-picking look like a depression. In 1985, one Wagner card sold for $25,000, zoomed to $451,000 when hockey great Wayne Gretzky bought it in 1991, then five sales later skyrocketed to $2.8 million in 2008, Forbes.com reported. "Over the last 25 or 30 years, no doubt some cards have outperformed traditional forms of investment," Orlando told DailyFinance.

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On a broader scale, the T206 grouping, from which the Wagner comes, is among the premier sets. Others include the 1933 Goudey, 1941 Play Ball and 1952 Topps. The latter is headlined by well-maintained Mickey Mantles that regularly fetch five figures or more.

10 Tips for Baseball Card Collectors

1. **Buy the highest-quality you can afford.** The cards in the best condition increase in value the most. Authenticators, including Orlando's PSA, grade from 1 to 10. The upper end of the scale tends to defy economic slumps.

2. **Make sure you buy from reputable sellers and auctioneers.** Do that, and you can expect to find reasonable deals, but not steals. "Some people looking to invest are desperate," Orlando said. "They're looking for deals that are too good to be true." Note that much of your buying will likely be off eBay (EBAY) and from sports auction sites.

3. **Hunt for high-grade cards from the early 1950s and pre-World War II tobacco-company cards,** Hobson suggested.

4. **In your Internet research, look for trends so you can catch a card or set on its way up in value.** "It's easy to get caught up when things are hot, but look at the areas of the market that are not so hot," Orlando advised. He referred to the T206 series, which had stagnated 10 to 12 years ago. Now it's the hottest on the market. "When a particular vintage has been overlooked, ask yourself why," Orlando said.

5. **"You can still invest in good rookie cards and realize a profit,"** Gregg said. Often that happens by buying the card before the player becomes popular. Some collectors still buy full sets and hand them down to their children when they turn 18, Gregg explained.

6. **For high-end collectibles, purchase cards that are graded and sealed by authenticators such as PSA.** The upside of watchdog groups is that they have sent the prices of some cards soaring because bidders can be positive that the merchandise is real, Hobson said.

7. **Completing sets is back.** Hobson recommended checking PSA's set registry, a bragging board often used by high rollers. It indicates the escalating value of cards grouped in categories.

8. **Be aware of the risks.** While you might form a greater emotional bond with baseball cards than stocks, be warned that memorabilia can be just as volatile at the high end.

9. **Have fun.** Sure, the mercenaries are out there, but it's still a pastime that began with kids. Gregg said adults who visit his store "lose like five years when they walk in."

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