



Trading Ethics

The ISCA Getting Started Collecting Series

Everyone wants a good deal. It is part of being human. Sometimes it is hard to tell the difference between getting a good deal and taking advantage of someone else. If someone offers you a really valuable patch and wants very little in return or someone wants to give you a lot for a patch that you know is not worth very much, you are said to have an “ethical dilemma” or problem. The dictionary defines “ethics” as dealing with what is good and bad, with moral duty and obligation, and with the principles of moral conduct governing an individual or group. On the one hand, you would really like a good deal, getting a lot for what you have to trade. On the other, the Scout Law tells us to be Friendly, Courteous, and Kind, and making a trade where you get a much better deal than the other guy is none of those things.

In patch trading, as with other deals, the value of what you give should be similar to what you get. That would be a fair trade. If someone asks you for change for a dollar, and you give them four quarters, that is clearly a fair trade. What if a person has a dollar and wants a soda and the machine won't take dollar bills? He asks you for change for a dollar, but all you have is 97 cents. He may very well decide that that is a fair trade, because it allows him to get what he wants, and he is fine with you coming out a little bit ahead. So fair trades do not always have to involve two things with exactly the same value, but the values should be close. One new CSP for one new CSP is usually considered a fair trade even if one costs \$3.25 and the other costs \$3.55. The question where trading ethics comes up is when one guy has something worth a lot more than the other or when one trader withholds crucial information about the value of a patch.

Let's say that your grandfather gave you some patches that he got at the 1964 Jamboree. Included are two lodge flaps from Victorio Lodge 177. You keep one in your collection and decide to trade the other. The Victorio patch has a turkey on it and is not very colorful. Someone offers you a one-for-one trade for a Malibu 566, one of the most colorful and most beautiful patches ever made. Is it a fair trade? Is the other guy being ethical? It is not a fair trade, and the answer to the question on ethics depends on what the other guy knows. The Victorio lodge flap has greatly gone up in value since your grandfather got it at the 1964 Jamboree, and is now worth a great deal of money, much more than the Malibu. If the other guy knew this, he was being unethical. He should have told you that you had an old and valuable patch.

Say you have a patch that you know is a fake. You know it is a later reproduction and not the original and valuable issue. Someone looks at your duplicates and wants to give you a lot for it. What should you do? You should tell him it is a fake and the true value is much less than the original patch. Trading ethics is about following the Scout Oath, Scout Law, and Golden Rule. Do unto others as you would have them do unto you. If you had a really valuable patch like the Victorio, wouldn't you want the other guy to tell you? You would, and similarly, you should tell the other guy the truth about your patch.



Most of the ethical dilemmas we face in patch trading are less obvious. One reason for this is the value of patches or any collectible is not very clear. If you walk around the room at a patch Trade-O-Ree, you may see the same patch for sale at five different prices. What is the true value? Are the guys with the higher prices unethical? You see the same thing in stores. You might see an item on sale at a wholesale club, and it is really cheap. The same item would be more expensive at a grocery store. If you go to a small convenience store, it would be more expensive still. At a small shop in a resort town, it may even be more expensive. Higher prices alone do not mean that someone is doing something wrong. They mean you should plan ahead and shop elsewhere or pay for the convenience. If you see someone selling a patch for \$5.00 that you know he bought at your council office sells for \$3.00, is he being unethical? Not really. Just as stores make a profit, so do traders. However, if he says there were only a hundred made, when in fact thousands were made, he is definitely being unethical.

What if there is a patch that you know you could sell for \$20, and you find it available for \$10? Are you under obligation to tell the seller that you can get more for it? Do you need to tell him that you would have bought it even if he was selling it for \$15? No. All kinds of things affect patch prices just as grocery store items are available in different places at different prices. You will often get the most for an old OA issue by trading it to a member of that lodge or someone from that region of the country. Going to one place and picking up an item to trade in a different place, for a profit, is not unethical as long as no one is withholding information or giving false information. Back in the 1970's, you used to be able to go the Scout Shop at national headquarters and go through barrels of left over patches and buy whatever you wanted for \$0.10 each. I once bought 20 patches there that were used as my council's (and a lot of other council's) 1964 camporee patch. I then took them back to my district camporee and offered them for \$1 each, a 900% profit. No one would accuse me of being unethical for that. Knowing that an item may be more valuable somewhere else is not unethical. The ethical questions come up when someone does not know the values involved, such as with the Victorio. Withholding information about the legitimacy of a patch is always unethical. Not telling someone when you recognize that they have something really valuable is unethical. Shopping for a bargain is fine.

If you follow the Scout Oath and Law in your trading and your daily life, you will get a reputation as an ethical trader. This will help you more in the long run than any short-term profits you might make from an unethical trade. You will feel better too. All members of ISCA subscribe to a Code of Ethics to ensure fair trading practices amongst its members. All members sign a statement subscribing to this Code.

I will:

Set an example in which all ISCA members will take pride.

Consciously, fairly represent items of Scout memorabilia.

Always follow the rules of the event that apply to trading.

Extend the hand of friendship to all Collectors.

Trade or sell no patch that I know to be a fake or reproduction without disclosing the fact.

Help new collectors get started.

Impress on new collectors the importance of ethics in trading.

Currently be eligible to be registered in Scouting.

Strive for fairness in all actions consistent with the Scout Oath & Law.

-- Warren F. Kuhfeld