



The New Color of Money
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**FOR IMMEDIATE RELEASE
JULY 13, 2004**

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**GOVERNMENT EDUCATION PROGRAM
REACHES CASH-HANDLERS IN ATLANTIC CITY**
***Gaming and banking industry employees to learn about enhanced
security features that make new \$50 note safer, smarter and more secure***

Atlantic City, N.J. – July 13, 2004 – The Treasury’s Bureau of Engraving and Printing, the Federal Reserve and the U. S. Secret Service introduced cash-handlers today to the enhanced security features of the newly redesigned \$50 note being issued this fall. The educational session, hosted by the Borgata Hotel Casino and Spa in Atlantic City, N.J., provided cash-handlers in the gaming and banking communities in addition to law enforcement officials an opportunity to get a first-hand look at the security features of the new \$50 note. Government officials were on-site to answer questions about the new design and the note’s security features—including a watermark, security thread and color-shifting ink.

John Walsh, crime-fighting advocate and host of *America’s Most Wanted*, joined government officials and spoke about how the public can better protect themselves from counterfeits by knowing their money. “While law enforcement aggressively combats counterfeiting, the public should know enough about the basic security features in their money to protect themselves if they ever suspect that a bill they’ve been handed is fake,” said Walsh. While at the education event, Walsh taped a counterfeit deterrence segment for *America’s Most Wanted* that will air Saturday, July 17 on the FOX network.

“With nearly \$700 billion in circulation worldwide, educating people who deal with large cash flows—like casinos and banks—is crucial to counterfeit deterrence and a major objective of the government’s new currency program,” said Tom Ferguson, Director of



the Bureau of Engraving and Printing.

James Borasi, Special Agent in Charge, Philadelphia Office of the U.S. Secret Service, was also on hand to emphasize the importance of public education in the new currency program. “A public that is well informed about their money is our first line of defense,” said Borasi. “The combined efforts of public education, aggressive law enforcement and improved currency security features have increased public awareness and have helped in the fight against counterfeiting.”

Given the large amounts of money handled across the country by large cash-handling locations like Atlantic City, advanced counterfeit deterrence efforts on the part of authorities have kept counterfeiting at low levels. Current estimates put the level of counterfeit \$50 notes in circulation worldwide at less than 1 note in every 25,000 genuine \$50 notes in circulation.¹

As part of the government’s ongoing efforts to inform the public about new security features and maintain the integrity of the dollar, the U.S. government has developed an education program targeted to those who handle cash every day. The hands-on educational program in Atlantic City will prepare gaming and banking industry employees for the new features and look of the note through an in-depth tutorial, speaker sessions and visual demonstrations.

Representatives from the Federal Reserve, which is responsible for the circulation of cash through the nation’s banking system, spoke about the reliability of U.S. currency. “The Federal Reserve’s objective is a smooth transition for the newly designed currency into daily cash transactions. For that to happen, it must be recognized and honored as legal tender, and those who use it and handle it must know how to verify its authenticity,” said William Stone, First Vice President of the Federal Reserve Bank of Philadelphia. “Our hope is that seminars like these, combined with educational materials, will help prevent counterfeiters from disrupting business, especially in the gaming and banking industries.”

“With 12 casinos and more than 46,000 employees, Atlantic City welcomes the government’s efforts to update our currency with improved security features” said Auggie Cipollini, Vice President of Finance of Borgata Hotel Casino and Spa. “By regularly educating our employees about currency security, we can better protect our industry from counterfeiters.”

Public Education

¹ The Federal Reserve

Public recognition of the currency features, which increased to 85 percent in the United States as a result of the public education effort for the new \$20 note, is an important factor in counterfeit deterrence.

Because the improved security features are more effective if the public knows about them, the U.S. government is undertaking a broad public education program. This program helps ensure that people all over the world know the new currency is coming, and helps them recognize and use the security features. The outreach includes cash-handlers, merchants, business and industry associations and the media. There is nearly \$700 billion in circulation worldwide and as much as two-thirds of U.S. currency is held outside the United States; therefore, the public education program extends worldwide.

To learn more about the new currency and to download images of the new currency designs, visit www.moneyfactory.com/newmoney.

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While consumers should not use color to check the authenticity of their currency (relying instead on user-friendly security features – see below), color does add complexity to the note, making counterfeiting more difficult. Different colors will be used for different denominations, which will help everyone – particularly those who are visually impaired – to tell denominations apart.

The new notes feature subtle background colors and highlight historical symbols of Americana. The \$50 note, which will be issued beginning on September 28, 2004, includes subtle background colors of blue and red, images of a waving American flag and a small metallic silver-blue star.

Security Features

The new \$50 design retains three important security features that were first introduced in the 1990s and are easy for consumers and merchants alike to check:

- *Watermark*: a faint image, similar to the portrait, which is part of the paper itself and is visible from both sides when held up to the light.
- *Security thread*: also visible from both sides when held up to the light, this vertical strip of plastic is embedded in the paper and spells out the denomination in tiny print.

- *Color-shifting ink*: the numeral in the lower right corner on the face of the note, indicating its denomination, changes color when the note is tilted.

Because these features are difficult for counterfeiters to reproduce well, they often do not try. Counterfeiters are hoping that cash-handlers and the public will not check their money closely.

The success of our nation's counterfeit deterrence strategy relies on high quality currency designs with effective overt and covert counterfeit deterrence features, aggressive law enforcement and a well-planned and executed public education program that routinely informs the public about currency security features.

Counterfeiting: Increasingly Digital

Counterfeiters are increasingly turning to digital methods, as advances in technology make digital counterfeiting of currency easier and cheaper. In 1995, less than 1 percent of counterfeit notes detected in the U.S. were digitally produced. Since then, digital equipment has become more readily available to the general public, and as a result, the amount of digitally produced counterfeit notes has risen. Over the last several years, the amount of digitally produced counterfeit notes has remained steady at about 40 percent. Law enforcement has remained aggressive. Last year, the U.S. Secret Service made 469 seizures of digital equipment involved in currency counterfeiting, such as personal computers, and made more than 3,640 arrests in the U.S. for currency counterfeiting activities. The conviction rate for counterfeiting prosecutions is about 99 percent.