

## 4 Strategies to Protect Your Business Against Counterfeit Money

By Alex Reichmann at AllBusiness.com

From 2004 to 2014, £81 million worth of fake notes were removed from circulation by the Bank of England, \$89 million was removed from circulation by U.S. authorities in 2013, and according to the European Central bank, €17 million worth of counterfeit money was recovered in 2013.

According to a report published by the Reserve Bank of Australia, businesses incur great losses as a result of handling counterfeit money. Businesses that handle cash payments are most affected in comparison to businesses that handle electronic payments. For companies with low profit margins, the losses suffered from accepting counterfeit money can at times exceed the daily profits made.

This makes it imperative for business owners to implement strategies to help minimize losses from receiving counterfeit money. Here are strategies you can use to protect your business against counterfeit cash:

### 1. Train your employees on how to detect fake currencies.

When it comes to handling money in a business or an organization, the first point of contact is usually the teller or cashier. This makes it necessary for businesses to train cashiers and tellers on how to detect fake currencies.

Apart from the cashiers, you can create general awareness about identifying fake currency among all your staff members. This empowers them to tell the difference between genuine money and counterfeit money. Some of the easiest areas to detect counterfeit bills include:

**Paper:** Real bills have tiny red and blue fibers embedded into the paper. Many counterfeiters try to fake these through various methods that include using cat hair and printing fake fibers into the bills, but with a quick examination these fakes can be spotted.

**Watermark:** One of the most difficult parts of a bill to forge is the watermark. Watermarks show a shadow of a portrait when you hold an authentic U.S. bill up to the light.

**Federal Reserve and Treasury Seals:** On authentic U.S. bills, the seals will appear clear and distinct; with fake bills, the seals will often appear "uneven or broken." A careful review of legitimate bills will give you a better understanding of how



authentic seals look on money.

**Security thread:** Genuine U.S. dollars have security threads built into them to protect from counterfeiting. Look for a woven thread that runs from the top to bottom of the bill. These security threads are not printed onto the actual paper, but are designed into the underlying paper that they're printed on. These threads are hard for counterfeiters to fake.

**Color shifting ink:** This is a feature that has been added to the newer U.S. bills that were produced after 2006. One of the advantages of this feature is that it cannot be replicated with laser printers. To spot them, look to the lower-right hand corner of a bank note. Look at the printed numbers and tilt the bill back and forth. Depending on the angle you view the bill from, you can see the color shift from grey to green and back.

## **2. Teach your employees to scrutinize every transaction.**

It is important for your employees not to profile customers. This means that they should not assume that a person is not a criminal based on how they look and act. Anyone—old women, students, businessmen, or hardened criminals—can try to defraud you by giving you fake money. It's really hard to tell if a person is a criminal just by looking at them, so by closing this loophole, you minimize your chances of being scammed.

Next, it is important that your employees carefully check all the money that goes through their hands. This is because in most instances, forgers try to hide fake currency amidst a bunch of genuine currency. Even though examining every transaction may seem like a long and tedious process, it is much easier than later spending hours reviewing surveillance equipment, handling paperwork, and reconciling your accounting books as a result of money that was lost through receiving counterfeit bills.

Because of the casual atmosphere that most small businesses foster, and the fact that employees of smaller companies are usually tasked with multiple jobs and little time to thoroughly check money that comes into the organization, small businesses tend to be the most susceptible to losing money from counterfeiting. Assigning people specific responsibilities and hiring additional staff as the needs of the business increase can help curb this problem and minimize business losses from counterfeit money.

## **3. Do not accept large denomination notes.**

You can minimize your losses by not accepting large denomination notes in your business. So as not to inconvenience your customers, put up signs and clearly inform them upfront that you do not accept large denomination bills. In addition, provide alternative means of payments that customers can easily access and use.

## **4. Use anti-counterfeiting technology.**

With advances in technology and the means to access sophisticated equipment, forgers are becoming experts at producing notes that look almost similar to the real ones, which makes it harder for individuals to tell the difference between fake currency and genuine currency. It has therefore become essential for businesses, especially those that



transact large amounts of money on a daily basis, to invest in equipment that will help them to quickly and easily detect counterfeit money.

Detection equipment can scrutinize and authenticate security features that are invisible to the naked eye. If your business handles large volumes of coins, you can invest in detection equipment that will check for fake coins. The equipment that you choose will generally depend the needs of your organization and how much money you are willing to spend.

#### About Alex Reichmann

Alex Reichmann is a counterfeit money detection expert and the owner of iTestCash. Helping businesses protect themselves against currency counterfeiting started as a family affair, with Alex's grandfather contributing to the creation of the Dri Mark counterfeit detector pen.

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