

Friday, January 09, 2004

To: PRG Members
From: [REDACTED]

Re: Media Enquiry regarding CDS

Reporter: Ted Bridis
Associated Press
Tel.: 202-776-9462

Request: Information on the Counterfeit Deterrence System, the CBCDG, deployment status, technical support for manufacturers, cost and operation of the system.

The Bank of Canada was contacted by the above reporter following enquiries made at the FRB and Secret Service. The reporter had been contacted by an Adobe user who was monitoring regarding counterfeit deterrence on the Adobe Forum website. He had previously talked with Kevin Connor at Adobe who had referenced the CBCDG in his response (note that this is consistent with the communication plan that has been shared with manufacturers).

In responding to the reporter I used the CDS communications Program for Issuing Authorities Q's and A's. I discussed trends in counterfeiting (shift from offset to inkjet) and the growth that has occurred over the last 5-6 years. Questions regarding the specific technology, participating companies, market share of deployed systems, and participating central banks were declined.

Information shared with the reporter on the CBCDG was consistent with that available from the BIS website, and I declined to answer questions regarding the Bank of Canada's specific role within the CBCDG over the last years – although he indicated an awareness that the Bank's role as Chair ended last year.

The reporter raised questions regarding testing and evaluation of the technology provided to companies and the costs of including that technology in their products. I declined to answer the technical questions but indicated that companies recognize their responsibility to deter the use of their product for currency counterfeiting. I also indicated that companies participate voluntarily and are very concerned about the impact of any technology introduced into their products on both performance and user experience.

The reporter was also interested in the ECB consultation process and was aware that the consultation process had ended.

The PRG should be aware that a story may be published in the national media regarding the CBCDG and CDS and that both manufacturers and CBCDG member's should expect and increased level of enquiries over the next week.