



Opening remarks to Banknote 2005

John Hanley, Chairman

Sunday February 20th 2005

Ladies and Gentlemen,

It is my pleasure to welcome you all to Banknote 2005, the latest event in a series dating back to the Substrate Conference of 1998. All of us involved with this year's Conference are happy to report another solid increase in attendance from both Government and industry. Indeed, we have been fortunate to sell out at our planned full attendance level of 400 delegates. I should like to thank you all for your ongoing support for and confidence in the Banknote events.

We believe that this growth stems from our policy of offering you, our delegates, over the years, a working Conference for professionals within the banknote industry. This, in a neutral venue, is where producers, users and enforcement agencies can exchange knowledge and ideas agreeably, in a pleasant, collegial atmosphere. Nevertheless, we are always on the outlook for suggestions to make a good thing better, so if you have comments or ideas, do not hesitate to contact Tony Poole, Jill Caiazza, myself or any of the Conference staff.

Our industry continues to grow, steadily if not spectacularly. Even so, it would be hard to find anyone among suppliers who has not got a tale of over-capacity in his or her particular area. But this is something that we must accept as normal, I feel; the urge to survive runs strong and always has in the decades that I have been involved in our business! At the same time, technological advances allied to new usage patterns, ensure that change is part of our every day life. At Banknote 2005, we have tried to reflect this in the wide variety of presentations that will be made during the course of the Conference.

In addition, we have taken a couple of areas that we feel are of topical interest to the industry and will be looking at them in depth during the Conference.

One area concerns cash handling. Increasingly, over recent years, our industry has seen a trend developing, whereby Governments and Central Banks have begun to explore ways of transferring some, if not all of the direct responsibility for cash handling to the commercial sector, principally to banks and cash in transit (or armored) companies. In some instances, this outsourcing has been achieved smoothly; in others there has been friction. All of this activity has seen a significant growth in the use of sophisticated, automated cash handling equipment, whether this investment has been made by Central Banks, the commercial sector, or a mix of both. The subject will be addressed from a variety of viewpoints, in several individual presentations, including one from the US Federal Reserve on their Fit for Commerce definition.



The subject will also be examined in depth by a distinguished international panel under the title: The Future of Outsourced Cash Handling. Our hope is that this discussion, which will follow individual short overview statements from the panelists, will lend itself to an in depth analysis of present and future trends as well as prompting questions, comments and active participation from all of you.

A second area revisits and expands on one of the classic security protections for banknotes, intaglio printing. In this particular instance, the merits of two-sided intaglio printing are addressed. While we may live in a world increasingly dominated by ever more sophisticated technology, currency is still a fundamental element in our daily lives. Public confidence in a nation's currency is essential for any Government. To this end, the protection offered at street level by the intaglio process remains crucial in protecting the man in the street against the counterfeiter.

In the opinion of an important group of our sponsors, printing intaglio on both sides of the banknote will add significantly to this protection and they will seek to prove this at their joint presentation on Monday morning. Based on the well-tried premise that nothing is as effective as touching and feeling a tactile security device, the presentation will be supported by an impressive and somewhat mysterious darkened booth, which will remain open for the duration of the Conference. You will be relieved that we are not going to try to run some 400 delegates through the booth in the dark in one morning!

All of you should have received your Banknote 2005 Conference packages, so I do not propose to review individually the many interesting and thought-provoking offerings in the program. But I would like to take this opportunity to urge you not to miss any.

In closing, I should like to thank all of our kind and generous sponsors who have done so much to make Banknote 2005 a reality. All of us involved are grateful to Arjo Wiggins, Crane, Drent Goebel, G&D, Goznak, KBA Giori, Kurz, Louisenthal, OeBs, ORC, Orell Fussli, Securrency and SICPA.

To sum up, there will be a lot to occupy you all over the next few days. We have tried to offer you as wide a variety of presentations as possible, with the intention that everyone will depart Washington having learned something new. As we have done from our inception, we will continue to strive to be your definitive forum on emerging trends and leading technologies in the banknote industry.

Now, I am going to hand over to my good friend and colleague, Tony Poole, Director of Banknote 2005, who will brief you on the day-to-day running of the Conference. Thank you, one and all, for being here and for so signally contributing to the success of this Conference. I look forward to meeting as many of you as possible over the next few days.

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