



MONEY MAKES THE WORLD GO ROUND

... and how G4S provides increasingly complex solutions in the production of cash

WE ARE USUALLY too busy, when making cash purchases, to give any thought to how the banknotes or coins we are using came into being.

They may have been paid to us as cash by our employer, or else we withdrew the notes from an ATM or over the counter at a bank. But that's just the final stage in a very long and often complicated journey.

It is also self-evident to us that a security organisation, such as G4S Cash Solutions, will have played a significant role in the money's safe delivery to the location from which we collected it.

Indeed, G4S's involvement in the cash cycle would also have included the sorting, counting, packaging and storage of

the money we are now using.

And since money circulates in a continuous cycle, the chances are G4S handles the same banknotes and coins many times as they pass between people and businesses and back through the cash management system, until – exhausted – the worn or torn notes need to be removed from circulation and destroyed, to be replaced with crisp new ones.

But that's still only part of the story. Let us look back even further, to the very origin of the currency we are using ... to the concept, design and production of the banknotes and coins that are now in circulation around the globe.

It will surprise many people to discover that G4S is now playing an active role in some of the very early stages in the



creation of money – particularly banknotes – long before its cash centres and armoured vehicles get involved in its distribution.

It is the world's central banks that create and make decisions about their currencies, including their appearance, the denominations to be issued and the security measures that need to be built into them. Some have their own printing presses while others place the production of their money in the hands of specialist security printers.

Understandably, since central banks need to be in total control of their money supply, it's a very secretive world. But if they are to take advantage of the latest technology and supplies, many of them need technical help and advice from independent consultants.

They need to consider, for example, whether newer banknote substrates (the material on which coatings, security features and inks are applied) are going to be more cost-effective or long-lasting than those they are currently using. A number of issuing authorities, for example, are experimenting with polymer or hybrid (paper and polymer) substrates for banknotes.

Do the newer inks also have advantages? What are the best security devices that can be incorporated to make counterfeits more difficult to produce? Are there advantages in changing the printing processes used? These are the sorts of questions to which central banks need answers as they prepare to print and re-issue banknotes.

It is at this early stage that G4S is beginning to play an increasingly important role, having acquired Secura Monde International (SMI), one of the industry's leading technical and commercial consultants.

"Some people still reckon we're moving towards being a cashless society," says managing director Martyn White with a smile. "Yet more banknotes were printed last year – 145 billion worldwide to be →

precise – than ever before.”

It's clear that SMI is making a valuable contribution to the global production of money but since client confidentiality is essential in this highly conservative industry, White and his colleagues refuse to name names. As for their close working relationships with a number of central banks, all they are prepared to say is that their expertise has assisted several of them in the management of banknotes, from initial design to processing and re-circulation.

They also conduct market research, analysis and competitive studies for some of the top names in the business, as well as assisting them with recruiting highly skilled individuals.

Which all fits neatly with G4S's strategy of growing its cash consultancy services and increasing the diversity of its abilities. As a result, SMI's considerable skills and expertise are now incorporated into more complex, long-term solutions for G4S's customers. At the same time, SMI's customer base is getting acquainted with its full range of cash solutions.

Another piece of the jigsaw that has been inserted into the wider picture is G4S International's secure logistics service which is providing global transportation of the vital elements needed in the production of banknotes.

It is estimated that every working day over 500 million newly-printed banknotes are in transit between commercial printers and central banks, or state printers and their customers. Sometimes that involves journeys between countries.

In addition, there is constant global traffic in printing plates, security inks, holograms, security threads, numbering boxes, proof notes and un-printed banknote paper. Clearly, major problems arise if any of these go missing in transit and that's precisely what has happened on three continents with recent losses of banknote paper, printed notes and security inks.

Central banks are already beginning to impose their own security standards on the movement of such supplies and the European Central Bank has introduced stringent procedures, including armed escorts for banknotes which have to cross borders.

G4S International's expertise as a secure global transporter – its cargoes regularly include diamonds, gold, silver and currency – makes it the perfect partner, working alongside SMI.

The services provided by G4S International include the coordination and management of a complete door-to-door logistics solution, tailored to each customer's specific needs and including all-

risks insurance cover. It also uses the best mode of transport, including aircraft, armoured vehicles, sea freight or personal couriers.

By working together in this way, G4S International and SMI are helping G4S's steady progression from commodity services and products supplier to being a provider of fully out-sourced and increasingly complex security logistics solutions.

In fact, the only aspect of banknote production around the world in which G4S is not involved is the actual printing. But because it has also acquired SMI's sister company, ShireMoor International Engineering, based in the north-east of England, there is a close association.

ShireMoor's speciality is the repair and refurbishment of banknote printing machines. It is cheaper to renovate an existing machine than to buy a new one, so its engineers travel the world to make that possible.

ShireMoor engineers flew out recently to the Far East and Africa to dismantle printing presses, then ship them back to England where they were stripped down, cleaned, repaired or replaced, before being re-assembled to an "as new" condition.

Once their owners had visited to check they were working well, they were dismantled once more and transported back to their country of origin.

Very soon, those specialist presses will be enjoying a new lease of life and producing high quality banknotes to satisfy our continuing preference for cash as the favourite method of payment.

Those banknotes will also bear testimony to the global complexity of cash solutions now offered by G4S. ■

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