

Counterfeiter skill advances

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STRATFORD — In old movies, a store clerk would bite a coin to see whether it was real. Today, with advanced copier technology so prevalent, the U.S. Secret Service is suggesting storeowners show a similar kind of attention to authenticate the bills they take in.

Biting down on a bill isn't required, or sanitary, but one need only look as far as Stratford to find signs of the problems businesses are facing.

Ambrosia Bakery, on the corner of Barnum Avenue and Main Street, has a sign alerting customers that bills of \$50 and \$100 are no longer accepted. The owners of the shop did not return calls, but a worker confirmed a few fakes recently made their way into the till.

Brian Murphy, the Secret Service resident agent in charge in New Haven, said it's unfortunate the owners think it necessary to take this step, but it is their prerogative.

And, according to banking experts, there is no law that requires an American business to accept U.S. money in trade for goods and services.

It's this principle that allows Indiana businessman Bernard von NotHaus to issue his own private currency — Liberty Dollars. Von NotHaus has been in the news lately because his coins, made of gold and silver, and paper certificates backed by the same metals, have gained more acceptance in the face of the lower value of the dollar.

Von NotHaus said accepting his currency is no different than accepting some credit cards and refusing others.

Another example of businesses that are accepting other forms of payment for service can be found in Massachusetts, where 188 merchants are accepting "BerkShares," money printed in the Berkshire region of the state with the intention of having locals use it.

The makers of BerkShares and Liberty Dollars, however, aren't counterfeiting because they aren't attempting to pass their money off as U.S. currency, which is what happened at Ambrosia.

While counterfeiting in Connecticut doesn't happen often, it is a growing problem for the country that business owners should be tracking, experts said.

Spokesmen from Webster and People's banks said they haven't seen any increases in counterfeiting in the region. Many times, it's the bank and not the small business owner that discovers the counterfeits.

Murphy said the counterfeiter's goal is to exchange bad bills for legitimate ones, which is a reason larger denominations are popular. The perpetrator will "buy a couple of doughnuts or cakes and get lots of change," Murphy said.

Small businesses are often the target of counterfeiters, he said.

He said it sounds as if Ambrosia's problem was a crime of opportunity, where a counterfeiter exchanged a few big bills for change.

In Connecticut, the rate of fakes being passed is small, Murphy said.

On its Web site, the Secret Service said shopkeepers should look at the cash they are handed to make sure it is real. The portraits on the money are generally clean and clear, as are numbers and the various seals. The U.S. Treasury Department has updated many U.S. bills in order to make counterfeiting more difficult. It has added colors and updated the portraits on many bills including fives, tens and twenties.

In its most recent report to Congress, the Treasury Department stated counterfeiting has increased in the past year. According to its report, delivered in September 2006, \$56.2 million of counterfeit currency entered circulation in America in 2005, up almost 29 percent from 2004, when \$43.6 million of bad currency was passed. The real spike occurred abroad last year, when \$4.8 million in bad money entered circulation — triple the \$1.2 million passed abroad in 2004.

The same report said the \$100 bill was the most counterfeited in 2005; banks detected more than \$9 million of counterfeit \$100s in 2005.

Shopkeepers who hope to avoid the problem by encouraging the use of credit and debit cards should beware, too: The fastest growing financial crime in the country remains credit card and identity theft. Most experts suggest shopkeepers check the identification of customers using plastic.

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