

Case Study



The
Royal
Mint®

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Future-proofing currency – the UK's new 12-sided £1 coin

Multiple security features bring banknote-level security into a coin for the first time

Details at a glance	
Client	Her Majesty's Treasury (UK Ministry of Finance)
Project type	Recoinage including repatriation of the old coin
Denomination	£1
Product specification	Nickel-brass outer, nickel-plated alloy inner
Year of issue	2017
Volume	1.5 billion new coins introduced (target: 80% extraction of old coins by the demonetisation date of 15 October 2017)
Project duration	3 years plus planning



Currency is counterfeited all over the world. The extent of the fraud can sometimes cause an issuing authority (the treasury or central bank) to review the suitability of the targeted denomination and consider issuing a replacement.

Acknowledging a currency counterfeiting problem and replacing a coin or banknote is a huge decision, with implications across the cash cycle and for the general public. Everything from the production and distribution of the new currency and reclamation of the old, to updating cash-handling equipment and creating public awareness are required to ensure a seamless transition.

"The new £1 coin has been designed to be fit for the future, using overt and covert security features that aim to safeguard our currency, and currencies around the world, for years to come. Staying ahead of sophisticated counterfeiters remains a constant challenge and this coin helps in that battle."

Adam Lawrence
Chief Executive of The Royal Mint

Security features of the new £1 coin

- The Royal Mint's High Security Feature offers banknote-level security in a coin for the first time
- The 12-sided shape means it stands out by sight and touch
- Bimetallic – made of two metals in contrasting colours for easy identification
- A latent image changes from a '£' symbol to the number '1' when seen from different angles
- Micro-lettering on the lower inside rim of both the obverse and the reverse
- Unique Electro-Magnetic Signature (EMS)
- Milled edges – grooves on alternate sides around the edge of the shaped coin

Case Study – Protecting against counterfeiting



Coin Specifications

Shape: 12-sided with rounded edges and corners
Diameter: Maximum (point to point) 23.43mm; minimum (edge to edge) 23.03mm
Edge thickness: 2.8mm
Weight: 8.75g
Metallic composition: Nickel-brass outer; nickel-plated solid alloy inner

Identifying the issue

The United Kingdom's £1 was converted from a banknote to a coin in 1983. We identified a potential counterfeiting issue in 2002 and began undertaking surveys to monitor the number of counterfeit coins. As the supplier of all UK coins, we randomly select and analyse coins twice a year using high-tech detection equipment and expert examination. It was the close inspection of individual coins using a microscope and a spectrometer that identified sophisticated counterfeits. These were not detected using electronic equipment as they are made of the same alloy as genuine coins, meaning the Electro-Magnetic Signature is the same.

When counterfeiting levels reached 3%, or 50 million in circulation, HM Treasury took the decision to introduce a new, more secure £1 coin. Launched in March 2017, the new 12-sided bimetallic £1 coin incorporates security features that make it the most secure coin in the world.

“The new £1 coin will be the most secure of its kind in the world and its cutting-edge features will present a significant barrier to counterfeiters, reducing the cost to businesses and the taxpayer.”

David Gauke
Chief Secretary to Her Majesty's Treasury

Planning ahead for a seamless transition

The UK Government announced its plans to introduce a new £1 coin in March 2014, three years before the coins went into circulation. To make it a smooth transition the entire process was carefully planned, with working groups established early-on to involve stakeholders representing all areas of the cash-handling industry. These included cash-handling equipment manufacturers, retailers, commercial banks, other associations such as charities and personnel from HM Treasury, the Bank of England and The Royal Mint. Industry and public consultation exercises were carried out and these contributed to the final specification of the coin as well as the decision to have a short (six-month) co-circulation period of the old and new coins, helping to minimise costs to industry.

In September 2014 a public competition to design the reverse of the new coin gained national attention, receiving over 6,000 entries including that of the 15-year-old winner, David Pearce. After the final coin design was agreed and 18 months before its introduction, samples of the new coin were made available to key industry stakeholders, under strict terms and conditions, to allow time for cash-handling equipment to be updated. In addition to the coin samples, a website was launched featuring downloadable information and important dates to help businesses prepare. Over half a million pieces of printed literature were distributed to companies for staff awareness and training.

The Launch

Communication campaigns were developed to ensure that industry and public awareness of the new coin was high. The integrated business and public campaigns were launched five and three months before the new coin's introduction, with great success.

- Highly positive social media engagement
- Over 2 million tweets on Twitter
- More than 1,500 pieces of media coverage around the world on launch day
- 100,000 page views of the website
- Thousands of Facebook posts, comments and reactions

Awareness of the new coin at time of launch proved that targeted, integrated campaigns reap dividends; 85% of businesses had their equipment ready and there was 97% public awareness and 94% approval of the new coin.