

**Progress Update: The New \$100 Note  
June 14, 2011**

**Danburg:** The Federal Reserve Board is committed to keeping you up to date about changes to U.S. currency. In April 2010, a new design for the \$100 note was unveiled. We're here with an update on the progress that we've made towards introducing this new note and a sense of what to expect in the future. I'm Sonja Danburg and I'm responsible for the U.S. currency public education program at the Federal Reserve Board.

First, we want to make clear that the new \$100 note is not currently in circulation and the Federal Reserve has not yet announced a new day of issue. We've postponed the introduction of the new \$100 because of a problem with sporadic creasing of the paper during printing of this note at the Bureau of Engraving and Printing, which manufactures U.S. currency. This problem was not apparent during extensive pre-production testing.

The \$100 note was redesigned to stay ahead of counterfeiting threats. There is no large scale counterfeiting problem with the current design and you can still trust and rely on its security features, such as the portrait watermark and color-shifting ink.

While work is underway to address this issue, we don't yet have enough information to make a decision on when the new notes will begin circulating. What we do know is the Federal Reserve will allow at least six months between the announcement of an issue date and the day of issue for the new design. This will ensure that businesses have the time to plan and prepare for the introduction of the new note. Here to provide greater detail on the work being done to address these important issues is Michael Lambert, a Deputy Associate Director at the Federal Reserve Board who has responsibility for U.S. currency.

**Lambert:** A great deal of work has gone into identifying the problem through the Bureau of Engraving and Printing and its paper supplier, Crane and Company. While we understand that there's not likely to be a silver bullet in this particular case, they've investigated a number of different possible solutions and they've made several process changes, they've conducted numerous tests, and while we think we're on the right path to finding the solution to make us all comfortable, we're making sure that we do have the solution that is sustainable and repeatable. As an added assurance, we have asked a consulting firm to give us an independent assessment that the steps that have been taken will actually solve the problem.

Running parallel with this initiative, the Bureau of Engraving and Printing has about 1.1 billion notes that they had printed before they discovered the creasing problem. They've done some hand-tests already and those tests have suggested that by and large the majority of these notes will be usable. They are looking for an automated solution so that they can work through that inventory much faster.

Once the Bureau of Engraving and Printing has a solution, it's still going to take a fair amount of time to print sufficient notes in order to build inventories at the Federal Reserve.

Once we've accomplished all these steps, the Federal Reserve will announce a date on which these new \$100 notes will begin circulating.

**Danburg:** If you want to be one of the first to find out when the new \$100 note will begin circulating, you can go to [newmoney.gov](https://newmoney.gov) and sign up to receive email updates. Newmoney.gov also has a wide variety of training and educational materials to help you learn more about the security and design features in U.S. currency.