

The Pros and Cons of Polymer Notes for the ATM Industry.



TestLink™



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September 13th marked the first introduction of polymer currency into UK circulation with the arrival of the redesigned £5 note.

The construction of this revamped currency uses a synthetic polymer material which is more durable, water resistant and offers increased protection from fraudulent activity.

The Bank of England has involved key players in the ATM industry, including TestLink, in order to ensure the notes were handled correctly by ATM hardware well in advance of launch date.

For ATM companies, this development is a two way street as the replacement of the common or garden fiver presents a number of challenges and benefits for the industry.



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Initial Steps.

Less than 5% of ATMs in the UK actually stock five pound notes – a figure which will surely make the transition much easier to manage in the short term.

For the industry, this first wave of new cash denominations can be seen as a test for the future, more impactful replacements of £10 and £20. There's no plan to get rid of the current £50.

Testing the waters with 1 in 20 UK ATMs will put ISOs and financial institutions in a stronger, more prepared position for the £10 and £20 notes' respective summer 2017 and 2020 changeover dates.

Challenges.

One of the biggest challenges facing Independent Service Organisations, as well as ATM owners, is the need for upgrades in order to ensure ATMs can handle the new currency.

For NCR models, updated firmware must be installed in order to prevent the new security features from causing jamming and rejection of notes. For Wincor models, new rollers may be required to maintain dispense performance over time with polymer notes.

The polymer £5 note measures in at 125mm by 65mm which equates to it having a surface area approximately 14% smaller than its bigger, older brother.

For all manufacturers of ATMs the cassette physical configuration will need to



5%

£5

5

ATM



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Benefits.

One of the key benefits afforded to ATM companies is the reduced issues caused by the actual material of the notes.

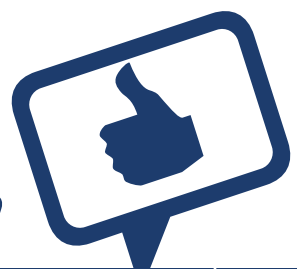
Typically, paper-based notes expel substantial amounts of dust and other dirt when being moved around inside the ATM. This can lead to wear-and-tear on gears and the blocking of sensors. This characteristic is sure to provide tangible benefits for all companies involved in the maintenance of ATMs.

With the introduction of polymer, this issue will no longer be as prevalent and, as a result, fewer engineer visits will be required which will help to keep ATMs in operation for much longer without being subjected to the above operational problems. Time will tell the extent of this benefit.

Another innate benefit of using polymer is its reluctance to crumpling.

Poor quality paper notes have been known to reduce storage capacity. Polymer notes do not deteriorate with age so will allow the cassette to consistently hold the maximum amount of notes. This benefit reduces the frequency of cash replenishment.

Despite challenges looming on the industry, the arrival of polymer notes will ultimately make life easier on both the business and consumer side with its provision of more advanced security features, more durable construction, smaller size and the improved cleanliness afforded by polymer.





Get in touch with TestLink to find out how your business can benefit from our extensive supply of parts and professionally remanufactured ATMs.

To find out more about how TestLink can help your company please contact us.



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