



## Risk of Check Fraud Continues on the Rise

### Are You Aware That Check Fraud May Turn Up Within Your Company?

Although corporations today realize that check fraud is an extremely serious problem both in the United States and internationally, in most instances most will not admit they have been victims due to fear of public embarrassment or because they have been caught unprepared. Although it is universally acknowledged that losses from check fraud are a multi-billion dollar problem in the U.S., accurate statistics are hard to come by.

According to the Seattle Insider, check fraud is one of the largest challenges facing businesses and financial institutions today. What should we do about it? An option to counter attack the situation is learning how to minimize the risks.

Unknowingly, many corporations lack full control of their check payment operation. With several accounts in various banks, organizations have a great number of boxes containing printed checks that need to be stored in places easily accessed by criminals, making your checks an easy target. And the criminals in this profession do not necessarily come from the outside. It could be an employee or a regular visitor to your corporation.

The FBI estimates that approximately 50% of the stolen and counterfeit check activity is driven by organized criminal groups.

According to the accounting firm of Ernst & Young, in the U.S. alone losses due to forged checks total more than \$10 billion, although recent statistics indicate that this problem is on the increase. The American Banker, an industry magazine, reports that

losses from check fraud will grow by 2.5% annually.

Corporations, financial institutions, and governments worldwide need to face the seriousness of check fraud and analyze its risks and liabilities in depth. By changing the way corporations output their checks, a good percentage of check fraud opportunities may be prevented. Modern methodologies for payment solutions are in operation today.

One of the most important changes today is that corporations do not need to keep any inventory of pre-printed check stock. Blank security paper containing all the necessary fraud prevention characteristics together with a secure payment solution such as [CheckPlus](#), is sufficient to deter or detect check fraud. [CheckPlus](#) has all the top security characteristics necessary to assist in the check fraud war. "Forgers are constantly devising new methods to challenge check printing technology. The key to avoid being a victim is protection" explained Alfonso Guerra, Chief of Globalization at Printech.

"By replacing older check printing processes by businesses, you eliminate many of the serious problems. Although forgers nowadays utilize desktop publishing and color copies to create or duplicate an actual financial document, a significant amount of check fraud can be prevented by changing the way your organization issues checks," stated Guerra.





“Today’s technology allows you to take a blank sheet of security paper and convert it into a printed check in just one pass through a laser printer. It sounds simple but the issue is that the software you need for this process is designed to safeguard system data and resources in a protected environment.

For instance, [CheckPlus](#), uses encryption, electronic key locks, and hardware devices to add various levels of protection to its systems. In summary, we provide flexible printing technology that enables paper or electronic output of payment data in any environment with the utmost security.

With globalization at our fingertips, it is up to top directors and managers in the business world to analyze new options and begin to put a stop to corporate check fraud,” concluded Guerra.

For more information, feel free to visit us at [www.printech.com](http://www.printech.com) and download the information files we have posted on our Web site.

To participate in a Free, interactive demo of the CheckPlus solution, just email us at [checkplus@printech.com](mailto:checkplus@printech.com) and we will handle all the details.

