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FINANCIAL SERVICES COMMITTEE
SUBCOMMITTEE ON
CAPITAL MARKETS AND
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March 6, 2018

Mr. David Motl
Acting Principal Deputy Director
United States Mint
901 9th Street, N.W.
Washington, D.C. 20220

Dear Director Motl:

In a letter dated October 27, 2017, Congressman Frank Lucas and I shared our concerns regarding the growing problem of high-quality counterfeits of U.S. precious metal coins. The U.S. Mint's response dated November 17, 2017, seemed to suggest a belief that the problem was not significant. However, the U.S. Secret Service has since briefed my office about the extent of this activity and its frustration with a lack of supportive actions by other agencies, including the U.S. Mint.

The matter of counterfeits has been repeatedly raised as a serious issue in the coin industry press, including leading publications like Coin World Magazine. I understand the U.S. Mint was briefed on the still-growing problem at a meeting with representatives of the Industry Council on Tangible Assets prior to responding to our letter, which is part of the reason why your response was so disappointing and concerning.

The U.S. Mint's letter of response indicated the agency is pursuing technological advancements in identifying counterfeits. As your team is aware, there have been anti-counterfeiting technologies on the market for some time – and many of these technologies have already been adopted by some of your “competitors.”

One of these is Veriscan, a proprietary technology of PAMP Suisse offered on its bullion products, as well on bullion products offered by the Royal Australian Mint. These products are offered widely in the United States through its sister company, Manfra, Tordella & Brookes, Inc. (MTB) of New York City.

As your team is also aware, MTB is an Authorized Purchaser of the U.S. Mint, and PAMP Suisse is a vendor to the U.S. Mint that provides blanks for the successful recent issuance by the U.S. Mint of its palladium coins. I have been advised by MTB, on behalf of PAMP Suisse, of their offer to assist and support the U.S. Mint to arrange the incorporation of Veriscan on the next issuance of the U.S. Mint's palladium coins without charge.

In addition, Veriscan has the unique ability to back authenticate already issued U.S. Mint coins, provided the dies and production samples are available. This appears to represent a major opportunity to address counterfeiting on already-issued U.S. Mint coins.

In response to the growing problem of counterfeits and the significant benefit of employing Veriscan, the U.S. Mint may wish to review this anti-counterfeiting technology and, if appropriate, arrange with MTB and PAMP Suisse to adopt this solution for U.S. Mint precious metal products.

Thank you in advance for your response. If you or your staff would like to explore this proposal further, we will be happy to discuss the details or connect you with executives of these entities which the U.S. Mint already works with.

Sincerely,



Alex X. Mooney
Member of Congress