

Canadian Banknote Production Procedures for the CTC S27 Series

by Jerome Fourre #120

For those of you that do not understand the methods used in the production of CTC coupons, here is my attempt to explain to you what I have found out with the research I have done.

The first notes printed by the CBN for any series are the replacement notes. They have to print enough to ensure that they have a sufficient supply of "single replacement notes" and "replacement sheets" so as not to hold up the quality control department when they are preparing the finished product for shipment to the client, in this case CTC. They also keep a supply of notes on hand that have been through all of the printing process except they have no serial numbers. These are cut into single notes and put aside to be used as "same number replacements". Until the sheets have been numbered there is no use for replacement sheets, but once they have been numbered any defective sheets must be replaced to keep the count accurate.

Canadian Banknote prints their CTC notes in lots of 1000 sheets similar to the sheet shown on the next page. There are 50 notes per sheet. After they have been printed and numbered they go to the cutting machine. Once they have been cut, they go through quality control, where any defective notes are replaced with pre-printed replacement notes and the 5¢, 10¢ & 25¢ notes are split into bundles of 500 and shrink wrapped, ready to ship. The 50¢, \$1.00 and \$2.00 notes are further split into bundles of 200, making sure to keep the 1000 consecutive notes in sequence, and they also are shrink-wrapped ready for shipment.

First of all I will explain to you what the difference is between a replacement sheet note, a replacement note and a same number replacement.

A replacement sheet is a sheet of notes that is printed before the actual printing of the regular run of coupons. These sheets are numbered with a special prefix such as a "9" in the case of the CTC S27 series but they are not cut into singles. They are used to replace sheets found to be defective after they have been numbered but before cutting. When entire sheets are replaced and cut they do not protrude from the cut bundle because they were cut at the same time as the rest of the notes. Most replacement sheets, when inserted and cut into bundles are very poorly centered in relation to the regular notes in that bundle. This is because having been printed at an earlier time the margins of the sheet are not necessarily the same as the newer sheets.

A replacement note is similar to replacement sheets except they are cut into bundles and set aside. Once the regular bundles have been cut they go to quality control where defective notes are replaced using the single note replacements. When these replacements are inserted in a regular bundle they are rarely the same size as the newly cut regular bundle and can be obvious when the bundle is viewed on its side. Because they were cut into bundles when they were printed, replacement notes are usually fairly well centered.

When the first or last note of a bundle needs to be replaced, the quality control department will often use a note that has been printed but has no serial number. They set a

hand numbering machine to the required serial number and print up the specific number that they wish to replace. These are known as "same number replacements". Most of these notes have a very dark serial number and the margins of the note may not match the rest of the bundle. Also, in the case of the CTC S27-C2 10¢ 2004 series they have a 2002 date at the top instead of 2004, having been printed before the 2004 series. If you have access to new bundles these notes are easy to spot, but once put into circulation they are very hard to find unless you know where the serial numbers changed over from one series to another. You will be able to spot a note with the wrong date but when they have the same date it is impossible to find them. Same number replacements are very time consuming and are rarely used to replace notes other than the first or last note of a bundle, but it has occurred.

I have entered all the numbers of the replacement notes I have found for the CTC S27 series and also the bracketing notes for each one in a data base. I have also recorded in the database whether the note was part of a replacement sheet or a single replacement when I personally found the note. Lou Fontaine, Roger Fox and Bill Symes have also contributed to this data base with their discoveries. Here is a resume of interesting points from that data.

NOTE #	KIND	DATE	DESCRIPTION
0205232409		2002	note number 410
9000132012	RS	2002	was replaced by RS
0205232411		2002	note number 012
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0209830556		2002	notes numbered 557
9000072486		2002	through to 616 were
	to		replaced by single notes
9000072545	RN	2002	numbered 72486
0209830617		2002	through to 72545
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0220875044		2002	note number 045
9000153574	RN	2002	was replaced by single
0220875046		2002	note number 153574
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0237084975		2003	note number 976
9000134544	RS	2002	was replaced by RS
0237084977		2003	note number 544
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0248928971		2004	note number 972
9000128978	RS	2002	was replaced by RS
0248928973		2004	note number 978
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0248928998		2004	note number 999
0248928999	SNR	2002	was reprinted on a
0248929000		2004	blank 2002 note
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0249007834		2004	
9000107979		2002	notes number 835
	to		through to 879 were
9000107999	RS	2002	replaced by the last of
9000207000		2003	the 2002 RS notes 979
	to		to 999 & 2003 RS notes
9000207023	RS	2003	from 000 to 023
0249007880		2004	
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	RS		= Replacement Sheet
	RN		= Replacement Note
	SNR		= Same Number Replacement

Note that the 4th digit from the right matches on the Replacement Sheets and does not necessarily match on the Replacement Notes. This is because if you replace a sheet the note will be in the same physical place on both sheets. (See sheet mock-up sheet on next page)

Canadian Banknote Production Procedures, cont'd

Upon examining the data closely I have come to the following conclusions. CBN printed three batches of 1000 sheets at the beginning of their run of the CTC S27-C 10¢ 2002 series. The first batch of 1000 was not numbered but cut into notes to be used as "same number replacements", this gave them 50,000 un-numbered notes. The next batch of 1000 sheets was cut and was numbered from 9000050000 to 9000099999. These were used as single note replacements. The third batch was numbered from 9000100000 to 9000149999 and these were left uncut and used to replace defective sheets that had gone through the numbering process.

When the first lot of 50,000 single note replacements were depleted CBN printed another lot of 1000 sheets and numbered this second batch from 9000150000 to 9000199999. Late in 2003 they also noticed they were running low on sheet replacements and printed up a second lot of 1000 sheets. These were then numbered from 9000200000 to 9000249999.

Looking back at my data I can also assume that they have issued 62,000 replacement notes and about 52,000 replacement sheet notes so far. It will be impossible to know how many same number replacements will be issued. If they change them to a 2003 dated note in the future we could assume that they issued all 50,000 of the 2002 dated ones. Again, if that is the quantity they originally printed.

One could say "Are all replacements considered equal or does a collector need to collect a note variety, a sheet variety and a same number replacement to have a really complete collection?" In answer to that I would say NO it is not an obligation unless you are obsessed with having one of each. I do not think the Bilodeau Guide will catalogue the note and sheet notes separately although the "Same Number Replacements" are already in Volume II in the Store Variety section. They are much harder to find and therefore worth more.



Here we can see the changeover from the 2002 to the 2003 replacement sheets of the CTC S27-C series. This is the 7000 sheet so it is still possible to find the 49 other changeover notes that are part of this sheet of 50.



A CTC S27-C 10¢ same number replacement note.

Any questions or comments can be sent to
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0200000198	0200001198	0200002198	0200003198	0200004198
0200005198	0200006198	0200007198	0200008198	0200009198
0200010198	0200011198	0200012198	0200013198	0200014198
0200015198	0200016198	0200017198	0200018198	0200019198
0200020198	0200021198	0200022198	0200023198	0200024198
0200025198	0200026198	0200027198	0200028198	0200029198
0200030198	0200031198	0200032198	0200033198	0200034198
0200035198	0200036198	0200037198	0200038198	0200039198
0200040198	0200041198	0200042198	0200043198	0200044198
0200045198	0200046198	0200047198	0200048198	0200049198

Mock-up of the numbering sequence of an uncut sheet of notes.
 Shown is sheet number 198.