

Federated Banknote Company

Much is known about a great many security printing firms. Then there's Federated Banknote Company. A quick check of Google reveals no history whatsoever of the firm. Our Greg Alexander reported on two forums the firm was established by De La Rue Banknote. De La Rue attempted to penetrate the U.S. stock certificate printing market in 1965 with its own name brand and also created Federated Banknote Company for the same goal. The name offers the *illusion* that Federated is a local "home grown" company. Federated Banknote Company engaged in engraved stock and bond printing at a plant located on Caroline Road, Philadelphia, Pennsylvania (Caroline plant).

I have attributed in my test note catalogs one stock certificate sample. A chance email from an Ebay seller led to the acquisition of a 1966 Federated guide which has been illuminating. The nine page & covers "Guide for the preparation of Stock Certificates by Federated Banknote Company" is 8" x 12.5" in dimensions. The Contents are on the inside cover and page 1 introduction page offers the first look into the relation of Federated and its divisions E. A. Wright, and De La Rue. Based on the address, one could assume security printing work obtained in Philadelphia was assigned to Federated while New York work was assigned the De La Rue Banknote Company. Apparently Federated had a Chicago Regional Office located at 116 South Michigan Avenue, Chicago based on a letter to a Federated client (Edison Brothers Stores Inc.) saved in the Newman Numismatic Portal.



Figure 1 Federated letterhead

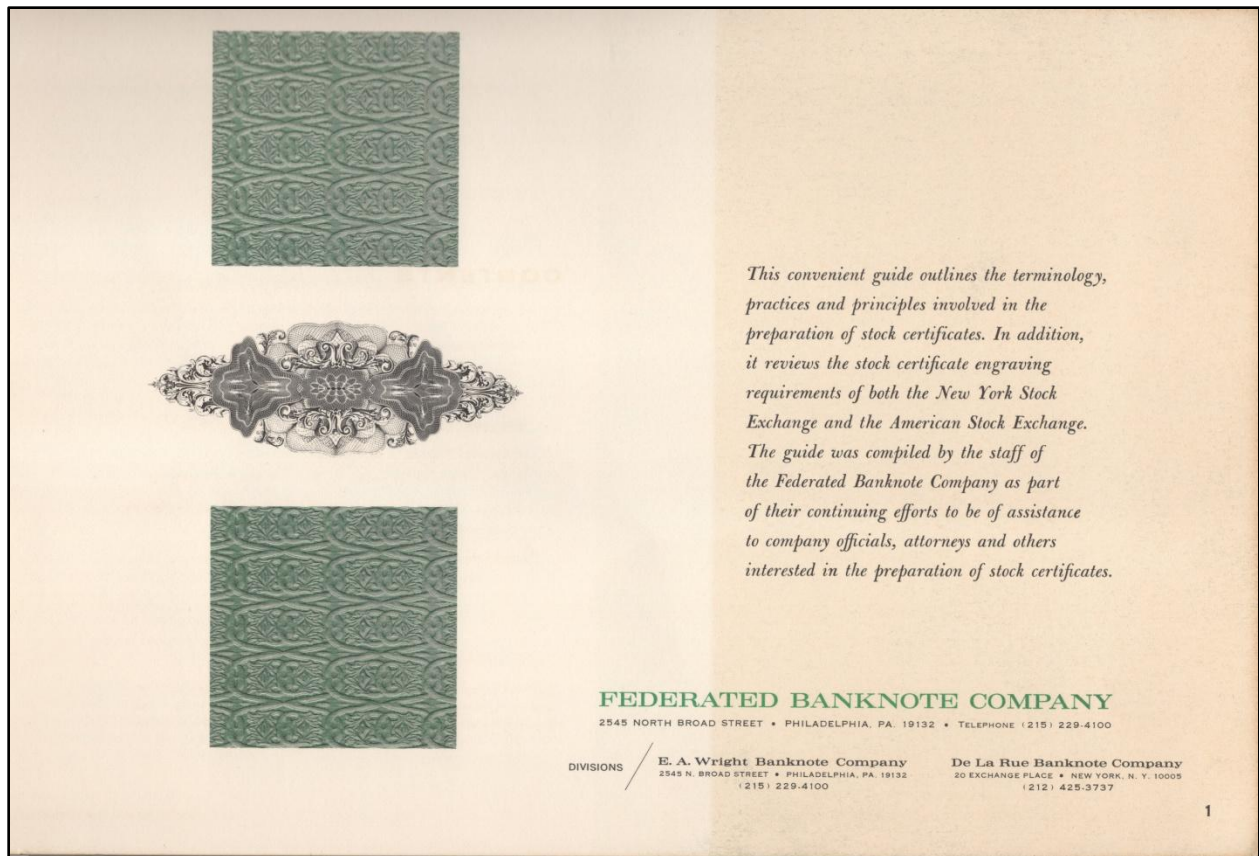


Figure 2 Page 1 Contents

Pages 2, 3 & 4 list 28 certificate terms, most of which are required by laws of State of Incorporation, American Stock Exchange, and the New York Stock Exchange.

The next set of pages is the nearly blank sample certificate with three clear overleaf pages! Sooo, my single sample certificate for Federated appears to be a sheet with 3 combined overlaps!

AB00000

REGISTERED:
By
QXR BANK
(New York)
Register
Authorized Signature

William J. Scott
SECRETARY

Jack Reilly
PRESIDENT

COUNTERSIGNED:
By
ABC BANK
(New York)
Transfer Agent
Assistant Secretary

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*(NEW YORK STOCK EXCHANGE REGULATIONS)

Figure 3 Page 8 Blank certificate

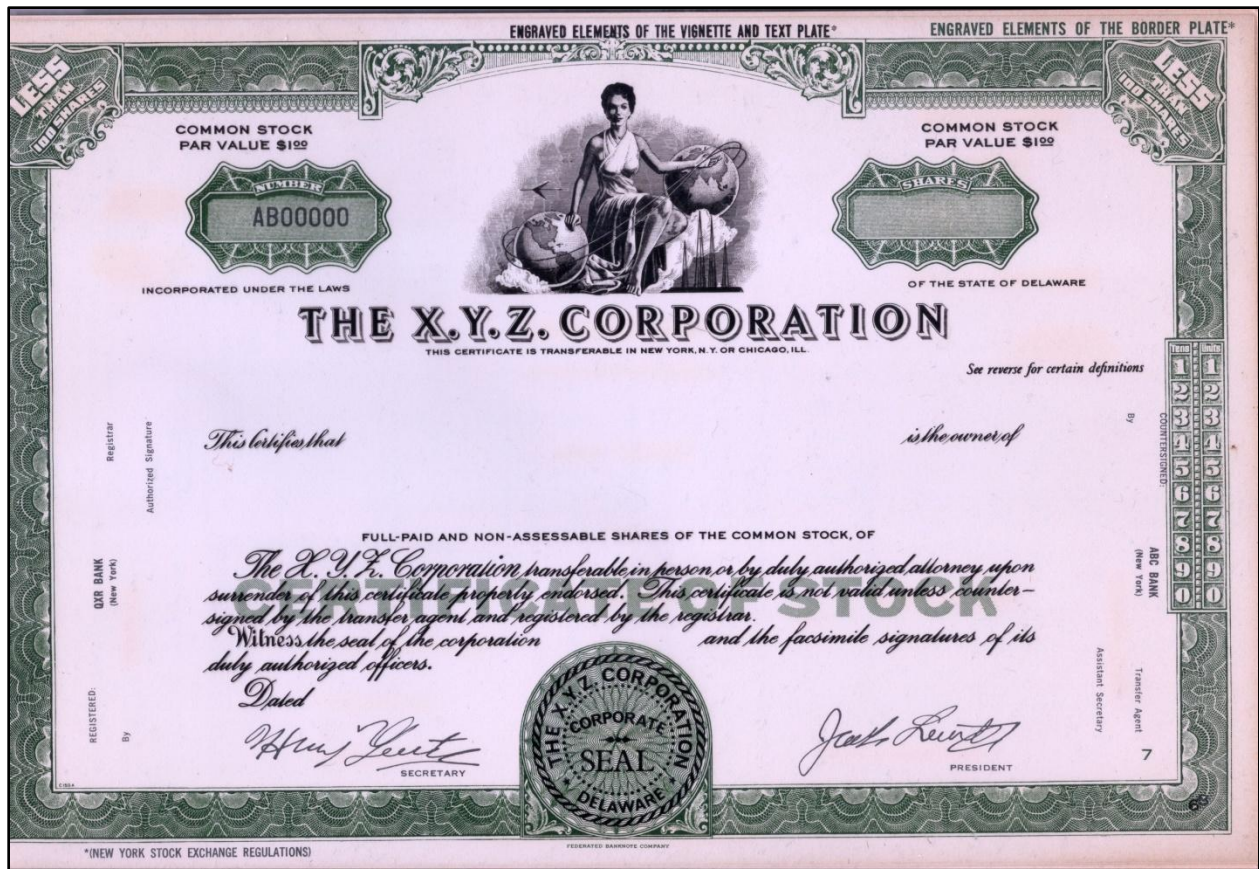


Figure 5 Page 6 with Engraved Elements of the Vignette and Text Plate added

Surface Printed Elements on the Back of Stock Certificate (with appropriate terms indicated)

PREFERENCES

THE XYZ CORPORATION

The Company will furnish without charge to each stockholder who so requests, the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof of the Company and the qualifications, limitations or restrictions of such preferences and/or rights. Such request may be made to the Company or to one of the Transfer Agents.

DEFINITIONS

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	— as tenants in common	UNIF GIFT MIN ACT	— (Cust) Custodian (Minor)
TEN ENT	— as tenants by the entireties		under Uniform Gifts to Minors
JT TEN	— as joint tenants with right of survivorship and not as tenants in common	Act	— (State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT FORM

For value received _____ *hereby sell, assign and transfer unto*

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF ASSIGNEE

Shares
of the capital stock represented by the within Certificate,
and do hereby irrevocably constitute and appoint
Attorney
to transfer the said stock in the books of the within-named
Corporation with full power of substitution in the premises

Dated

NOTICE: THE SIGNATURE IN THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

THIS SPACE MUST NOT BE COVERED IN ANY WAY

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Figure 7 Page 9 Sample Certificate reverse

I found a bit of a mystery in my search of all things Federated. On two different trademark registers, a trademark is assigned to De La Rue for the name “Federated Banknote Company” on December 16, 1975 – THREE YEARS after selling Federated to United States Banknote Corporation! First, why had De La Rue NOT assigned a trademark when they entered the U.S. market in 1965? Then the other obvious question, why do so three years after the sale? To the first question I have no plausible answer. To the second, it might be De La Rue chose to trademark the name to avert USBNC (or other entity) from using the name.

There are other informational brochures and documents available for Federated. Here are two I missed, along with other De La Rue pieces on auction.



Figure 8 auction lot of 2022



Figure 9 another auction lot of 2022

Both Federated and De La Rue garnered little market share and with physical certificates use declining, De La Rue exited the stock certificate market. Even De La Rue's online history web page makes no mention of this U.S. printing campaign. Federated and its E. A. Wright division were sold to United States Banknote Corporation in 1972.