

Transit Authority Cries 'Unfare!'

Five years after the near-disappearance of slugs, a new generation of high-quality counterfeit tokens has begun appearing in the subway.

And transit officials haven't been able to stop it.

"They look exceptionally good," conceded Kevin Hyland, the Transit Authority's chief revenue officer. "It's a first-rate counterfeiting operation, no question about it."

If you look closely, you can tell the difference between the new counterfeits and the real thing. But the fakes are almost exactly the same size. They are minted from almost exactly the same metals. They have the same block lettering and the same distinctive "bull's-eye" design.

Most important of all, the fakes work.

Transit officials said late last week that they do not believe the system's turnstiles can be adjusted to reject the new knock-offs. "We're dealing with a mechanical discrimination of coins," Hyland said. "The counterfeits are too similar to actual tokens."

The only answer may be the old-fashioned one: catch the bad guys and send them off to jail.

This is the first time in New York subway history, apparently, that someone has actually bothered to produce look-alike tokens. For many decades, some riders used slugs to get through the turnstiles — a coin or a washer or some other piece of metal that happened to be the same size as a legitimate token.

To combat this, the Transit Authority switched over to the current brass-and-steel bull's-eye token in 1986. It was billed as far harder to duplicate, and it almost rid the system of fakes.

Until now.

The new counterfeits made their first appearance in mid-March, trickling into the stations around Borough Park, Brooklyn. Their popularity spread fast. In April, transit workers collected 20,000 of them from turnstiles all over the city. The May collections aren't added up yet. But 30,000 would not be a bad guess, officials said.

Almost certainly, these numbers are understated. The Transit Authority has no system for inspecting every single token that is dropped into a turnstile. And when the fakes look as good and work as well as these do — well, who really knows how many of them have slipped in?

"It is quite likely," Hyland added, "that at least some of the counterfeits have ended up back in the ten-packs" — to be purchased and presumably used by unsuspecting riders.

There are several subtle differences between the good and the bad. The steel bull's-eye on the fakes is lumpy, not as flat as it should be. The tiny gold-colored band around the center is a little uneven. And even though the typefaces are the same, the spacing is a little off on the counterfeits — especially on the word "AUTHORITY."

Also, the fakes are slightly thinner, and they clink funny when they fall.

IN THE SUBWAYS



Ellis Henican

The Transit Police are investigating all this, of course. But so far, no arrests have been made and no strong suspects identified, people close to the case said.

Surely, though, this is not some amateur in a basement with a metal presser.

"The level of sophistication is very, very good," said David Kilmartin Jr., president of the company that mints the real subway tokens. "Someone has the technology, the equipment and the knowledge. It almost looks as if an honest business may have gone bad."

Kilmartin Industries, which is located in Attleboro, Mass., also makes the sub-way-taken "receptor," the small mechanical device that goes inside the turnstile and is supposed to tell the good from the bad.

"I guess New Yorkers are more inventive than most," the company president said.

He said his firm has been providing the New York police with technical advice on the case: what raw materials would be needed, where that stuff might be purchased, what a token-counterfeiting set-up might look like.

One other question the police and transit officials are trying to answer is how the fakes are being distributed. With volume this high, they say, some organized system would be needed.

"We're not talking about someone just using a few and selling a few to his friends," one official said. Among the possibilities: The phony tokens

are being sold, at a bulk discount, to newsstands, bodegas and other small businesses — to be resold at full price to their customers.

Unfortunately, the fakes are appearing just as the Transit Authority is revving up its own "off-site token-selling campaign," an effort to persuade retailers to carry the legitimate articles. This is designed to ease the interminable token-booth lines.

To be sure, the number of counterfeits now in the system is tiny compared to how many real tokens are out there.

At any one time, New York has a "token population" of 85 million, of which 35 million are in the hands of the public. The rest are being counted, stacked, packed and stored by transit workers and various contractors. (The TA pays Kilmartin between 5 and 10 cents for each one, depending on how big the particular order is.)

By week's end, top officials at the Transit Authority were expressing nervous hope that the counterfeiting can be stopped before the revenue losses really take off. At lean times like this, every \$1.15 counts.

And when the fare goes up again — probably at year's end — the knock-off business will be that much better off.

"The higher the value of the token," noted Hyland, the TA revenue man, "the greater the incentive to counterfeit."

Ellis Henican writes the In the Subways column for New York Newsday.



Token effort: Bottom left is a fake, bottom right is real

Newsday Stan Honda