



**DO I STILL NEED
MICR IN 2025?**

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With some employees working remote and businesses looking to efficiently print checks, clients are asking the question:

Do we need a MICR printer? The short answer is, Yes!

If you're printing checks on blank check stock, you certainly need a MICR printer and a high quality, OEM MICR toner to precisely print the bank and routing numbers in magnetic ink/toner.

While it's possible to print checks using a standard laser printer, without the proper fonts and features, you can run into all sorts of problems. Checks won't meet banking standards and could be rejected by a bank. In addition, without security features, your printed checks are vulnerable to fraud and can put your organization at risk of financial harm.

The bottom line is: Yes, organizations absolutely still need MICR printers especially in 2025!

THE BOTTOM LINE IS...

YES

**ORGANIZATIONS
ABSOLUTELY
STILL NEED
MICR PRINTERS**

ESPECIALLY IN 2025

IN 2023

80%

**OF COMPANIES
WERE AFFECTED
BY CHECK FRAUD**

AN INCREASE OF

65%

FROM THE YEAR PRIOR¹

Check Fraud is Still a Threat.

Check fraud is the most dominant form of payment fraud, above credit card fraud, ACH fraud and wire fraud. The 2024 AFP Payments Fraud and Control Survey Report reveals a full **80% percent of companies experienced actual or attempted check fraud in 2023¹, a full 65% increase from the previous year** - and the threats continue to grow. According to The Better Business Bureau's Mid-South CEO and President, Randy Hutchinson, check washing has become a \$815 Million per year issue¹. Chief Fraud Strategist at Point Predictive Frank McKenna says we'll likely see check fraud rise to \$24 Billion in losses in 2024.

Clever fraudsters constantly try new techniques to beat the banking system and steal money. **While one might expect banks to be liable for these losses, revisions in the Uniform Commercial Code (UCC) have shifted the liability from the bank to the party in the best position to prevent the loss.**

Today, the losses are shared between a bank and its customer based upon each party's comparative negligence.



7 Reasons Why Organizations Need a Dedicated MICR Printer.

As long as check fraud persists, financial institutions and businesses should explore all security measures available to prevent check fraud. Fortunately, there are ways to reduce the risk of check fraud, starting with integrating distinct security measures at the printer level.

Below are the security features and check printing-specific functionality that makes MICR still required in today's day and age...

1 MICR is required by the Federal Reserve

The MICR line is the series of numbers and characters printed at the bottom of the check that includes all of the checks important information – including account, routing, and check numbers. This is a core characteristic of the check and allows the data to be captured electronically. **Data not printed using MICR may not scan properly resulting in clearing issues. This may result in manual entry at the bank and processing fees for you.**

2 Printer Security Features

Password Protection is critical to prevent unauthorized access to MICR toner/ink and secure fonts, user-specific signatures, and form overlays.

Front Panel Lock, requiring the user to enter a combination prior to printing.

Encryption and Decryption capabilities encrypt the print data stream, protecting it while it is being transmitted to the printer, where it is decrypted just before being printed – one of the highest levels of security technology available.

Paper Tray Locks, engineered to be model-specific, along with tray shielding for the back access panel, can protect and manage check stock.

3 Disable Jam Recovery & Toner Sensing

Auto jam recovery disablement is important to prevent multiple copies of a check from printing. This ensures the printer processes the job only once and counteracts fraud by disallowing the printing of multiple copies of a check.

Toner sensing technology detects when MICR toner levels are low and notifies you before continuing. This helps ensure each payment is printed to bank specifications and optimized for maximum reliability and readability.

4 Audit Features Create Transparent Checks and Balances

Audit trails are helpful in creating user-defined reports of check printing activity for checks and balances.

5 Fine Tune the MICR Line

The placement of the MICR line is very crucial to successful readability. Financial institutions should also be able to account for minor variations between printers to prevent bank rejection of checks; therefore, being able to fine tune the position of the MICR line is essential.

A misaligned MICR line can contribute to check rejection and bank fees due to poor readability.

6 Security Fonts are a Key Element in Fraud Mitigation

A **secure, numeric font** should be leveraged as an additional layer of security on the MICR document. This type of font is very difficult to alter because of a special background, miniscule text, and numeric print embedded in the amount line of the check.

A **microprint font** adds yet another layer of security at the document level. The extremely small type font embeds personalized micro text and numbers into each check.

7 Complementary MICR Toner with Tamper-Resistant Features

MICR toner with high adhesion guarantees consistent character quality. It also deters fraud since printed data is not easily scraped or washed without damaging the check paper.

Again, magnetic toner is required by the Federal Reserve. Checks not printed using MICR could lead to problems like rejected checks and unnecessary processing fees.

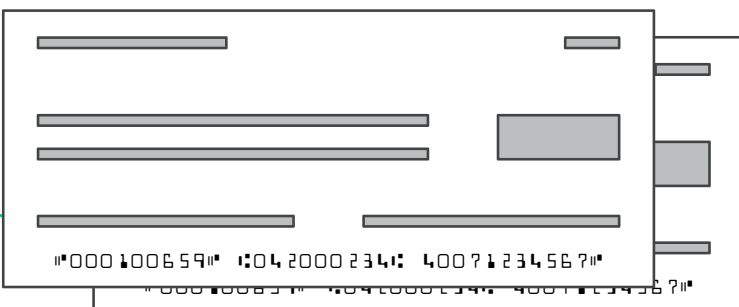
Meets ABA / ANSI standards These are specific standards on the character use, placement on the check, and other character specifics including uniformity of ink, character dimensions, and signal strength range.

A MAJORITY OF
THE SECURITY
IS IN THE TONER

We recommend using an OEM toner that has security within the toner, such as TROY MICR Toner Secure™ which prevents check tampering by releasing a red stain if chemical alteration is attempted. Standard toner can easily be scraped or chemically washed from a check, even on some of the most secure check stocks.

A MICR printer is only part of the solution.

While a **MICR printer** is important, you'll also need a **MICR toner** that includes security features to protect against common fraud techniques, like check washing and scraping. You'll also want **check stock** that includes built-in security to further protect your printed checks. These three components work in tandem to enable secure check printing all in one pass.



MICR PRINTER
MICR TONER
AND
CHECK STOCK

WORK IN TANDEM
TO ENABLE
SECURE CHECK
PRINTING

MICR is Needed Now More Than Ever.

Of course, magnetic ink or toner is still mandated by the federal reserve. And the ABA and ANSI provide specific standards on character use, placement on the check, and character specifics including uniformity of ink, character dimensions, and signal strength ranges. When checks do not comply with these standards, the result can be rejected checks and unnecessary processing fees.

Since check fraud is still the number one form of payment fraud, it is not worth the risk using a standard laser printer and plain printer toner. And we believe that check fraud will only continue to increase throughout 2025. So, yes, now more than ever MICR is required.

**IN 2025, MICR IS
REQUIRED
MORE THAN
EVER**

About us

TROY Group, Inc., an HP OEM Partner, is a worldwide leader of MICR and security printing solutions. TROY is the only manufacturer of MICR Toner Secure, the World's Most Fraud Resistant MICR Toner™, which protects checks from fraud with an anti-tamper security feature. , TROY customers include the top U.S. banks, key government and insurance accounts, and businesses of all sizes who rely on the total check printing solution: MICR printers, MICR toner, software, security check stock, digital signatures, security fonts, and pre-/post-sale services.

*2024 AFP Payments Fraud and Control Survey Report, Association for Financial Professionals, April 2024.