



Take it to the Bank

By: Anne Gray

How would your customers react if you “increased” their cash revenue by 25%?

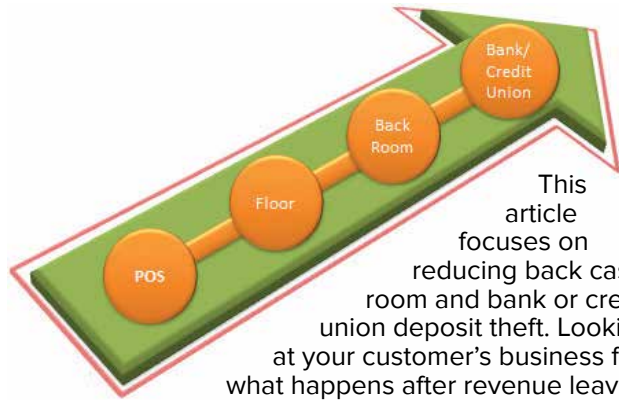
During college, my summers were spent working at a lakeside resort. One day the owner sent me, in her MG convertible, top down through the Paso Robles hills to make a bank deposit.

I took the deposit bag she’d left on her desk and headed off. The deposit was significantly short. Someone had been in the zippered pouch before me, knowing it was not secure. If she’d had a tamper-resistant/evident deposit bag she’d be richer today.

As POS experts, our world revolves around a microcosm of payment software and terminals, printers and cash drawers. Everything that touches the point-of-sale. A lot to keep up with in an **Internet of Things** “IoT” world.

With all the great opportunities IoT brings, it’s also brought security breaches, fraud and theft. All of which are eating into merchant profit. Bringing us incredibly delicate issues as well, like the debate between the F.B.I. and Apple® over iPhone® access and encryption. As a result, your ability to protect customers lost revenue becomes harder.

Your focus may only be at the point-of-sale. Or perhaps you’re a Managed Service Provider (MSP). Either way you can help your customers take more of the money they’ve earned to their financial institution.



This article focuses on reducing back cash room and bank or credit union deposit theft. Looking at your customer’s business from what happens after revenue leaves the point-of-sale. The “other part” of the revenue cycle, to reduce the roughly 25% being lost today.

Merchants want sales and profit. The point-of-sale is the starting point. The finish line? The bank or credit union. Yet, according to the 2015 US Retail Fraud Survey, **26% of theft comes from employees stealing cash.** * Therefore, it seems merchants are only taking 75% of that revenue to a financial institution or have it available for operating funds.

Some of the below solutions are available from your valued distribution partner. Others you might just want to recommend. They may not yield enough revenue for you to offer directly.

Back Room/Cash Office

Currency and Coin Counters: Save time creating start funds and closing, but also help insure an accurate count of what you really have available.

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About Anne Gray

Anne Gray is a Senior Product Manager with MMF POS where she works with cross-functional teams to ensure profitable growth from existing and new products. Anne’s current interests include POS trends in Nightclubs, Bars and

Restaurants, and the relationship between IoT—the Internet of Things—and POS Physical Security.

Going to RetailNOW® 2016?
Be sure to stop by MMF POS Booth 518.

Attend the Break-Out Session hosted by Ivelisse Gomez and Anne Gray
“IoT and Merchant Physical Security”
August 2, 2016 at 10:00AM





Locking Till Covers: Useful for securely transferring funds from the point-of-sale to the cash room, but also for securing till contents while stored there.

POS Safes: More popular in Europe, but also deployed in the US, these safes have tremendous advantages. They are relatively small and can be discreetly mounted under-counter. Saving valuable counter space as well as reducing theft.

At the point-of-sale, high denomination notes are fed into tamper-resistant and evident pouches. They are taken directly to the cash room safe and finally to the bank or credit union. No intermediate count is needed.

These safes are available with few bells and whistles or complete with options such as counterfeit detection, electronic audit trail and real-time data capture. From the safe's pouch to the bank or credit union. Saving time while reducing theft. Sounds good to me!

Cash Room Safes: Utilizing a commercial safe for cash storage, envelope drops and till sweeps is a simple and secure way to deter internal and external theft.

Cash and Coin Recyclers: This technology has significant deployment in US financial institutions. It's in the "Early Adopter" phase for retail markets due to relatively high cost and ROI hurdles, a large footprint, and limited understanding of the value they offer.

Recyclers store cash and coin in a secure safe with limited access. They accept and dispense exact amounts required—hence the term "recycler". Most with over 99% accuracy. Many are UL291 approved for 24 hour Level 1 storage.

The benefits are immense. Opportunities for theft, trips to the bank, related commercial fees and armored car or cash-in-transit "CIT" visits decline.

Beyond theft, operating funds can be managed more efficiently. Also, depending upon the safe's security rating, financial institutions may treat the cash recycler as a "second vault." Daily credit is given without the need for physical deposits. Considerable advantages, including preventing theft.

Smart Safes: These safes have many of the same benefits that you get with a cash recycler. They are "smart" because, as mentioned above, they are often linked to a financial institution and if you use one, your CIT. Again, daily credit is given without a trip to the bank or credit union.

Opportunities for internal and external theft are greatly reduced. However, as with recycling technology, the cost and ROI may be out of reach for many merchants. For many, it's definitely worth exploring.

Key Control: In addition to dual control cash drawer lock options, effective key control prevents unauthorized access to POS and other areas where money is stored. From complex two-tag systems to simple locked key portfolios, options exist for all needs.

Locking Organizers: Useful not only for personal items like cell phones, wallets, and outbound vendor

payments, but also for immediate short-term storage of cash and coin, left behind customer credit cards and other valuables. With this option you can place them in the locked compartment temporarily until they can be transferred to a secure location.

Look for inboxes or monitor stands with key-lock compartments. But remember, they are not a secure place for longer-term cash storage.

Employee Zippered Pouches: Provide clear "purses" for cell phones, cash and other personal items. This will help avoid situations where purses or backpacks find their way anywhere cash and coin is used or stored.

Finally, do not forget the importance of sound cash counting data validation which can catch mistakes and fraud. Whether using a more manual process or an automated one, an employee intent on stealing often finds loopholes that good data validation can uncover.

Financial Institution Deposits

Single Use Deposit Bags - Tamper-resistant and tamper-evident security features make attempts at, or actual theft recognizable. Many are simple. Others detect attempts to gain access through heat, cold, chemical, and seam tampering.

Reusable Deposit Bags - Again with tamper-resistant and tamper-evident security features they come in various sizes with simple or complex combination or key lock systems.

In closing, you can do a lot to help generate profitable growth for your customers by helping them keep that "25%". Money that belongs to them and could be used for building improvements, advertising and promotions, or for improved EBIDTA. For hiring the best employees they can afford. Or for POS enhancements that you can offer.

Roughly 95% of all US businesses experience employee theft. ** Whether you offer these theft-reducing solutions directly or simply bring them to your customer's attention, you come out a winner.

What would your customers say if you could "increase" their bankable cash revenue by 25% though theft reduction?

*US Retail Fraud Survey, 2015

** <http://www.allfoodbusiness.com>

39.4%

of retailers increased
their loss prevention
budget for 2015
(Source: NRF Retail Study)

