



### See Us at These Upcoming Tradeshows:

- *AFP Annual Conference - October 23-25*
- *Utility Technology Association Fall Conference - October 26-27*

*ISSUE: Q4 2016*



#### **Kill the Check to Speed up Payments?**

Faster payments is a hot topic right now, with efforts ongoing to drive us closer to faster, or real-time, payments. The US took a big step when the Federal Reserve announced the formation of a task force to get faster payments underway. Rather than waiting for analysis by a task force, PYMNTS.com in their controversial article, "[The Fastest Path to Faster Payments in the US](#)", proposes a more immediate course of action, which is to kill the check. This article has generated strong reactions from the payments industry. Some call the idea misguided, impractical and illogical. While others wholeheartedly

agree, calling the idea bold and daring.

The article argues that checks are an enormous barrier to faster payments in this country, and that the best way to make payments more efficient and effective is by killing checks outright. After all, it states, checks serve no useful purpose. It goes on to say that checks create massive cost and friction across our financial system — for the banks that have to process them, to the businesses that have to issue and wait to receive them, for consumers who have to

deposit them and wait for the 'check to clear' before accessing the funds, and for those who are without access to our financial system to cash the ones they are given as payment.

Many sharply disagree with the article citing the fact that the US still has 19 billion checks per year, making checks a critical part of our payments landscape. Remember what happened in the UK, after they decided to abolish checks? Tough opposition by the public and Parliament forced The Payments Council to reverse its decision. The Green Sheet's "[The misguided 'kill the check' chorus](#)", presents a rebuttal, stating the article is full of false assumptions, leaps of faith and factual errors. Finally, First Data's "[Consumers love checks and so should you.](#)" makes the case why checks are here to stay.

### **Billers Must Understand Consumers' Need for Speed**

[Fiserv's Eighth Annual Billing Household Survey](#) finds consumers expect anytime, anywhere access to bill payment solutions and fast payment delivery. Accordingly, for billers to succeed they need to support shorter payment processing times across multiple channels.

Consumers don't take the issue of payment processing timing lightly. Gone are the days of timing transactions in business days. Today's consumers expect their bill payment transactions to be finalized in a matter of minutes, if not sooner. Billers need to understand that industry initiatives for faster bill payment settlement are already underway and same-day bill payment posting will soon be the norm.

Not only is bill payment processing expected to be faster, but the bill payment interaction is expected to be faster as well. Given the option, many will avoid registering or logging in solely because anonymity saves time. One in four households report using the guest checkout option at biller sites due to convenience and password fatigue.

Consumers are bill pay omnivores, choosing whatever channel is most convenient at the time. Channel switching has become the norm and the vast majority of households use multiple bill payment methods. On average, consumers use 3.6 different payment methods each month – up from 2.9 one year ago. In fact, nearly 21 million households change how they pay bills from one month to the next – a 40% increase from the previous survey.

Consumers expect multiple bill payment options. The expectation of multiple bill payment options does not vary depending on the type of biller. Consumers expect a local utility to provide the same options as a national wireless carrier or cable provider.



### **NCR Announces Discontinuation of iTRAN Image Transport**

In 1973, the NCR Waterloo facility unveiled the first fully electronic check processing machine. Fast forward to early 2000 and the iTRAN check imaging transport line was unveiled with much fanfare to support truncation initiatives around the world.

NCR's check imaging and payment processing scanners and transports cover the spectrum of processing volumes, from tabletop units that enable imaging at the point of acceptance, to medium volume systems that can process large batches, to high volume payment processing systems that process millions of items every day.

The global demand for mid-range transports has drastically declined, with the move to distributed capture and ongoing digitization taking hold. Demand will decline further in the years ahead. NCR's current solution is approaching end of manufacturability, as parts have reached end of life. There is not market justification to invest in development of a next generation iTRAN transport.

Important dates:

Final Discontinuation of the iTRAN line with final order acceptance until May 31, 2017

Final Discontinuation of the iTRAN line for NCR support will be May 31, 2022

## **Welcome New Employees!**

### **Nathan Brazee, Development**

Nathan graduated from Rochester Institute of Technology with a degree in Computer Science. He worked for RP Solutions as an intern in 2015, and was hired as a full time employee earlier this year. He is skilled in PHP, JavaScript, Java, and XML technologies and has experience in developing web applications. His current focus is in JEE development. He has played a key role in the design, development and testing of our new cloud-based Transaction Processing Services platform.



### **Rick Carhart, Development**

As a front end developer, Rick has over 7 years of experience in web, Android/iOS, and Flex/Flash development. He has created beautiful web, kiosk and mobile solutions for big name clients using the latest web and app technologies. His specialties include working with CSS frameworks (SASS, LESS) and writing custom HTML5, CSS# and JavaScript. He holds a degree in Computer Information Systems and moved to Ithaca from Ohio.

### **Diane Macdonell, Technical Writer**

Diane joined RP Solutions as a software engineer and technical writer. Her expertise in software and systems includes process development, quality metrics, configuration management, integration, web-based applications, end user documentation and help systems. She holds a degree in Industrial Technology and has worked in Washington DC, Silicon Valley CA, NH, VA, MD and most recently in AZ as an Embedded Software Engineer at Boeing.



### **Mario Martinez, Professional Services**

Mario is a Project Management and Operations professional with experience in process improvement, designing systems, leading development teams, and improving operations in customer-facing roles. He joined the PS team in 2015 and recently completed his first on-site customer visit, helping a customer implement OPEX equipment. He is originally from the Dominican Republic, holds a Master's Degree in Engineering Management and is proficient in Spanish and French.

## 73% of American Companies Impacted by Payments Fraud, says AFP

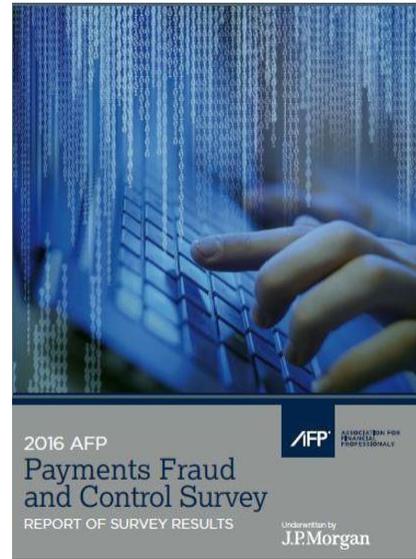
According to [AFP's 2016 Payments Fraud and Control Survey](#), payments fraud in 2015 was again on the rise, offsetting all the declines we saw from 2009 to 2013. While checks continue to be the most targeted payment method, there was a decline in actual check fraud. There was, however, an increase with other payment methods including wire transfers and credit cards.

Key findings:

- 73% of organizations were impacted by payments fraud, up from 62% last year
- 42% reported an increase in fraud attempts
- Checks continue to be the payment method most often targeted with 71% experiencing actual or attempted check fraud
- The security of mobile payments is a concern for 75% of corporate practitioners
- Over 50% of respondents foresee card-not-present transactions will be exposed to greater fraud activity

With these statistics in mind, it is important for all businesses to take preventative measures by educating their employees on current payments fraud practices and implementing products and processes required to protect corporate assets. To help minimize your risk, our cloud-based Transaction Processing Services (TPS) platform offers these features:

- Image Check Clearing - accelerate return item notification
- Check Verification Services - evaluate the likelihood that a check will be returned unpaid
- High Dollar Review - allow visual inspection and approvals
- Hot Files - identify payments that should be reviewed or rejected



**Contact Us**  
[www.rpsolutions.com](http://www.rpsolutions.com)  
**(877) 777-6588**

RP Solutions, Inc.  
2415 North Triphammer Road  
Suite 2 • Ithaca, NY 14850