



Rental Management Magazine Interview Questions Regarding EMV Credit Cards, Submitted on July 29, 2015

(Note: Excerpts from this questionnaire were published in the form of pull quotes from Rob Ross, President of Alert, in Rental Management Magazine's print and on-line issues, September 2015)

What is the ballpark cost for the switch to EMV?

First of all, Alert customers will not see an increase in cost other than purchasing or leasing the EMV hardware. We don't charge basis points on the dollar value of every transaction, so that amount will remain at zero. So, the lease investment could be as low as \$20-\$40 per month for a typical store. Even better, some of the ISO/MSP partners who work with our customers are willing to partially or fully off-set this cost as part of their service plans.

Will most of your customers be ready for the change?

All our customers need to do is upgrade to our latest revision (v17), which is offered at no charge as part of our support agreement. Most of our customers will be able to download it free from our web site at their convenience.

Will stores need new hardware?

Yes, if they swipe cards they will need the new hardware. There is no change, of course, for payment processing via phone or Internet. The EMV hardware installs as a standard network (IP) device, so you don't need to have one on every workstation. Tight supply does seem to be an issue across all US merchants. We are working on it with our suppliers.

Will card issuing banks be ready?

Obviously, banks who issue cards have a lot of work to do to get EMV cards out to all their customers. The good news for rental stores is that they are permitted to process non-EMV cards the same way they have in the past.

What changes have we made to our software?

We have chosen to integrate with VeriFone's 'Point', which is an extension of PAYware Connect, which most of our customers are already using. So this means we can provide the smoothest possible transition. Most importantly, it allows us to continue to be 'agnostic' with respect to our customers' current banking relationships. The programming effort has been substantial, but the result is the switch will not disrupt business for our customers and it will help protect them from liability and fraud. At their option, they will even have the ability to process transactions using Mobile Apps, such as Apple Pay and Google Wallet. We expect that our customers' payment processing options will only increase in the future.

What concerns are we hearing from our customers?

The biggest concern is just knowing what to do and what it will cost and when. Everybody seems to accept the need to fight credit card fraud.