

A New Image

Electronic image capture improves retailers' payment processing efficiency.

By Deena M. Amato-McCoy

All grocers want quick access to their deposited currency and checks, but manual depositing processes often slow the availability of funds. A device that remotely captures the images of cash and checks and electronically deposits funds with banking partners can speed up the crediting of deposits and get managers out of the back office and back on the sales floor.

"All grocers are working to do more with less, but they still have business priorities," says Curtis Hallowell, vice president, product management for Cummins-Allison, a Mt. Prospect, Ill.-based provider of money handling equipment. "They need technology solutions that help to keep operation costs low, processes efficient, and get personnel out of the back office and interacting with consumers while they shop."

Many times, companies focus on customer-facing innovations as a means to improve consumer-centricity, but grocers may be overlooking backoffice technology that can help grocers achieve the same goals—especially those that streamline the deposit process.

"Grocers want to get their daily intake to banks as quickly as possible so they can get credit for the deposit, and access to funds," he says. "Grocers are in need of an easier way to manage their cash and check processing."

It makes sense when you consider how cash till processing and deposit preparation remains such a "manual and messy process," says Hallowell. Money and checks from each cashier's till are individually counted and bundled, checks are often photocopied, microfilmed or imaged through a desktop check imager, and then a deposit is created. However, supervisors need to manage piles of currency and the process can take hours to complete.

"These days, competition is fierce and the economy is pushing consumers to visit stores based on value and customer service. A simple smile from a manager can keep a customer for life," he says. "If managers are stuck in a backroom however, that interaction and loyalty won't happen."

To make matters worse, if banks receive deposits after the cutoff deadline, grocers don't get credit for the deposit until the next business day. Eager to find a way to get currency out of the store and verified at the bank in a timely manner, grocers are turning their attention to electronic remote deposit capture technology.

Cummins-Allison is responding to this demand with the JetScan iFX, a desktop-based currency and check scanner and archive

device. Besides electronic capturing cash and check images, these images can be forwarded—and credited—to banking partners.

Each note or check that passes through the device is imaged and an electronic file is created. This data is passed onto banks so the grocers can get credit for the deposit, and the original file is stored locally at the originating store. As the currency is later delivered to the bank, the financial institution verifies each note based on its individual serial number.

"The bank verifies each note against the electronic file and if anything is out of sync, there is a record that keeps both parties accountable," Hallowell explains. "Grocers are no longer at the mercy of the banks."

Created with sensor technology that crosses the entire length of each paper during each pass, the device can capture 400 two-sided check images per minute, and 1,600 notes per minute. This is a 200% increase in speed compared to competing devices on the market, he says.

With 27 billion checks still being processed, the need for imaging is not going away any time soon. Even as check usage declines, supermarkets still accept checks due to its lower cost processing fees, and imaging will help grocers keep their processing costs low. The imaging technology will also continue to help grocers fight payment fraud, as electronic images give the retailer a way to track counterfeit notes, and even trace them back to specific cashiers.

"It will support internal efforts such as loss prevention, even training practices to teach cashiers what to look for in fraudulent currency or checks," he says. "It is a new, unobtrusive way to improve cashier training and back office reconciliation operations."

