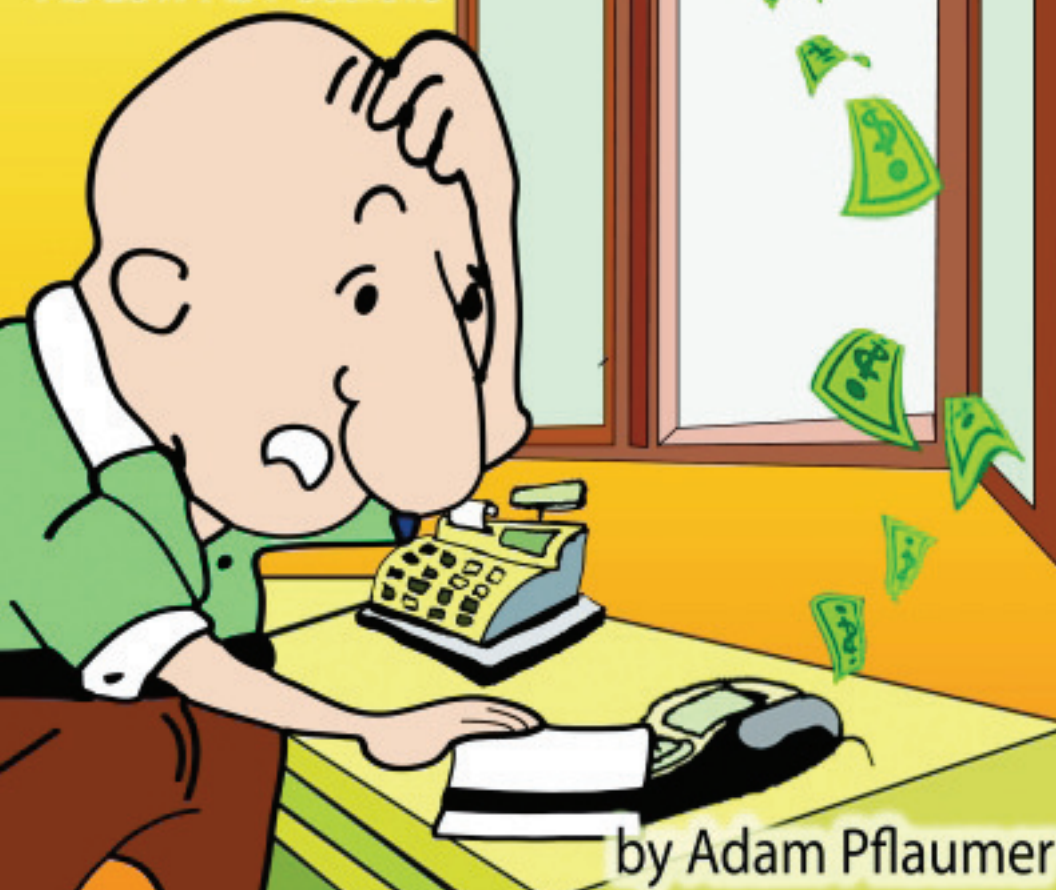


THE **SMART MERCHANT'S** GUIDE

TO REDUCING MERCHANT CREDIT CARD PROCESSING FEES

*A Step-By-Step Guide
To Keep Your Credit Card
Processing Costs
As Low As Possible*



by Adam Pflaumer

A MUST READ FOR EVERY COMPANY THAT ACCEPTS CREDIT CARDS

“Reading this book and following the directions within has got to be one of the easiest ways a business owner can make meaningful cost reductions.” — Daniel Green, CPA

Learn what processing companies don't want you to know:

- The pricing you must insist on
- How to qualify for the least expensive Interchange
- Special reduced Interchange for which your company may qualify
- When PIN-based debit makes the most sense for your business
- Eliminate the litany of “junk fees”
- Avoid the common pitfalls most merchants find themselves in
- And more ...



Adam Pflaumer has over 15 years of experience in the merchant credit card processing industry. He has held senior management positions for the most reputable firms in the merchant acquiring industry. Mr. Pflaumer started EP Consulting, one of the first consulting firms within the payments industry dedicated to helping small and mid-sized businesses minimize costs relating to payment processing from an unbiased or “processor neutral” standpoint.

The
Smart Merchant's
Guide

*To Reducing Merchant Credit
Card Processing Fees*

Adam Pflaumer



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Adam Pflaumer

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This guide is intended to provide business owners important information that may aid in the reduction of costs associated with accepting credit cards. Results may vary. The author and publisher disclaim any liability that may come as a result of failing to obtain the desired results.

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WHAT OUR CLIENTS HAVE TO SAY

One of our fastest growing expenses is credit card processing. Although we regularly review our costs, I liked the idea of letting an expert in that industry give us an unbiased second opinion. It turns out that we were able to cut more than \$800 our first month and expect \$1,200 to \$1,500 savings in subsequent months. One of the best parts is that we never had to change service providers. I can say without a doubt that we would not have gotten anywhere near the same results trying to do this on our own without knowing the intricacies of payment processing. There is a lot more that goes into this from what I had previously thought. This is something that any business that has an eye on controlling costs should use.

— *Carole Griffin, Controller, Temecula Valley Pipe & Supply*

We have realized about half of our overall savings by EP Consulting getting us better pricing terms with our existing company; the other half came by helping us identify procedures at our point of sale that enable our transactions to be processed at the least costly method. We expect to add close to \$30,000 to our bottom line through EP Consulting's services.

— *Scott Aaron, Controller, DeSoto Sales*

When we learned that there was a company that fights for businesses like ours to get a fair deal with the credit card processing companies we were really glad. This is one expense that is so confusing and just keeps growing. Adam Pflaumer taught us the things the processors don't want us to know and in doing so, helped us cut hundreds off of our processing costs each month. I recommend this book to any company that accepts credit cards.

— *Suanne Chung, Owner, T-Shirt Factory*

Whenever I contacted my processor they would appease me by making a slight reduction in my rate but the savings would be small, if any. I decided to work with Adam Pflaumer at EP Consulting and it was eye-opening. We now have much better terms with our processor that I previously didn't even know existed. I never had to change companies and I have cut hundreds of dollars a month off my processing expenses.

— *Bill Seltzer, President, Temecula Valley Golf School*

Although we thought we had already done our homework on this, I was curious in getting a second objective opinion. I am glad I did. After working with Mr. Pflaumer's company we have reduced our merchant credit card processing expense by more than \$900 per month. We did not have to change companies and it was effortless.

— *John Stull, CEO Global Tracking*

We were trying to cut costs in this ever-slowng economy and looked at all of our operating expenses. Adam Pflaumer, at EP Consulting, was able to look at our merchant credit card processing expenses and re-negotiate our terms, saving us hundreds of dollars a month. We did not have to change processing companies and are very pleased with the results.

— *Mike Wagonstein, Owner, Macs Springs*

Our company takes savings initiatives very seriously. We know better than to think this expense is something that we can truly minimize without some type of inside industry help. Our CPA turned us onto Adam Pflaumer and when we learned about his business model, it made perfect sense. We have reduced our merchant service costs by more than 30%.

— *Sue DiLuigi, Owner, Vail Ranch Self Storage*

Mr. Pflaumer helped us cut our processing expenses by more than \$400 per month and we never had to change processing companies. He has educated us on how to continue the savings through the years. I love the pay per results business model. I consider his

service to be one of the best and easiest ways my company has ever cut costs.”

— *Michelle Nicolaides, Empire Farrier,*

I was absolutely convinced that our bank was giving us the best deal, but since I had nothing to lose in letting an impartial expert look, combined with the fact that if there was savings, I didn't need to switch from my bank, I figured why not. Adam helped us cut more than \$400 from our processing costs and we never had to change away from our bank. I definitely recommend this to any business that takes credit cards.

—*Gary Kuftedjian, Owner, Meineke & Econo*

CONTENTS

What Our Clients Have to Say	5
Introduction	9
Who Is Adam Pflaumer and Why Should You Listen to Him?	11
How Much Should You Expect to Save?	14
Step One: Getting the Best Price	16
Step Two: Managing Your Interchange	22
Step Three: Net Sales Versus Gross Sales	28
Step Four: PIN-Based Debit	30
Step Five: Navigating the Incidental Fees	35
Appendix 1: Interchange Management by General Business Type	42
Appendix 2: Business Types with Special Interchange Programs	58
Appendix 3: Small Ticket Programs	70
Appendix 4: Sample Memo, Credit/Debit Sales Procedures	73
Appendix 5: Visa Interchange	77
Appendix 6: MasterCard Interchange	104
Appendix 7: Debit Network Interchange	147

INTRODUCTION

Business 101, maximize revenue (offense) and minimize costs (defense). Although it sounds simple, it is remarkable how many business owners and executives focus solely on offense and forget all about defense. Many people lose sight that with every dollar in new revenue, only a fraction is added to the bottom line. Conversely, every dollar reduced in operating expenses contributes 100% to the bottom line.

For good reason, we celebrate the sales rep who brings in a \$10,000 account, but when was the last time we celebrated the controller for cutting \$5,000 in telecommunication, waste management, office supplies, shipping, or merchant card services expenses? All things considered in the analogy above, the controller likely made a much more meaningful impact to the company's profit. All \$5,000 of his/her cost savings contributed to profit, whereas the \$10,000 sale likely only contributed \$2,000 or \$3,000 after commissions and cost of goods sold are considered. Plus, the controller's cost-savings will continue to deliver incremental profit to the company year-after-year for the life of the business. Please note, I don't advocate renouncing your praise of sales people for bringing in new sales. At the end of the day, if it wasn't for sales, there wouldn't be a business. It is a lot harder to make a sale than to cut a cost, and it should be celebrated. The point of my analogy above is to show that since cost reduction initiatives have such a direct impact on overall profitability, it is worthwhile to invest as much interest and energy on improving your defense as you do on your offense.

This guide is designed to give business owners, CFOs, controllers, general managers, office managers, and even CPAs and bookkeepers, the information and actionable steps to not just reduce

but to actually minimize this expense category which has remained somewhat shrouded in confusion, secrecy, and misunderstanding.

If you are the owner of a business, I encourage you to quantify your savings and reward yourself with the incremental profit that you have brought about by following these simple steps. If you are a CPA or an independent bookkeeper, I urge you to use this information as incredible value-added advice that can help your business customers increase their profits. If you are an employee, I encourage you to frequently remind your boss how much you have added to the company's profit, and add it to your list of accomplishments.

WHO IS ADAM PFLAUMER AND WHY SHOULD YOU LISTEN TO HIM?

Mr. Pflaumer has more than 15 years of experience in the merchant credit card processing industry. He has held management positions for the most reputable firms in the merchant acquiring industry including First Data, Union Bank of California, and Global Payments. Most recently he served as vice president of operations for Connect Merchant Payment Services and later became president. In 2007, Mr. Pflaumer started EP Consulting, one of the first consulting firms within the payments industry dedicated to helping small and mid-sized businesses minimize costs relating to payment processing from an unbiased or “processor neutral” standpoint.

Mr. Pflaumer’s expertise includes pricing, Interchange, transaction delivery systems, chargebacks, risk management, PCI (Payment Card Industry) compliance, point of sale equipment, merchant service contracts, and alternative payment methods.

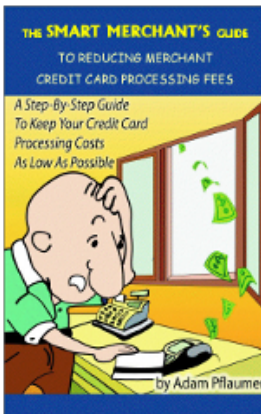
“I wrote this guide to take what I know about merchant credit card processing and put it to use on the side of merchants to help educate and empower them to minimize one of the fastest growing and often times confusing expense categories — merchant credit card processing. It will provide you with some of the easiest ways that you can take immediate action to cut costs and add profit.”

— *Adam Pflaumer*

WANT MORE?

Learn what you need to know and do to minimize your merchant account fees by getting the **full** 147-page eBook and interactive companion video:

- The secrets the processing companies don't want you to know.
- The best pricing and how to get it.
- Ensuring your transactions clear at the lowest cost processing method.
- Pitfalls to avoid
- And More...



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