

# Contact

Business-building ideas for TD Merchant Services customers

**OUR NEW LOOK** *Contact* has changed, for the better — with a fresh new design. What hasn't changed is our commitment to provide information to help you to make your business grow and prosper.

## In this issue

- 2 Catch a wave to boost business
- 3 Three winning ways to maximize efficiency
- 3 Build business online
- 4 State of the retail nation

## Payment Card progress: What it means for your business

By Jeff van Duynhoven, President, TD Merchant Services

The current pace of change in the Payment Card industry is unprecedented. Most recently, we've seen the roll-out of both credit and debit chip (EMV) cards, a new era of contactless payment capabilities with the launch of *Visa payWave\**, and the introduction of new debit options to Canada.

As these changes are implemented, you can count on TD Merchant Services to continue to provide industry leading support and services to help you make the most of these new developments. Here are just a few examples.

### Conversion to chip cards

One of the new fraud prevention technologies that may have the most immediate impact on how merchants do business is the chip card, which will eventually replace magnetic stripe cards, although cards will continue to have a magnetic stripe for some time.

For a number of years, TD Merchant Services has been helping merchants make this transition through our chip-



You can count on our continued support as the payment industry evolves.

device conversion program, which is still ongoing. Our chip enabled countertop terminals feature easy-to-follow prompts to help speed your staff training.

We will continue to notify our customers as we convert their countertop terminals to new chip enabled terminals. To ensure our merchants have the most up-to-date

technology and support during this transition, TD Merchant Services is leading the way in developing chip-compatible software, for merchants with both countertop point-of-sale (POS) devices and integrated solutions. Here's how:

### 1. Chip-compatible PC software.

Thousands of Canadian business owners use Microsoft® Retail Management Software (RMS) that enables personal computers to be used as POS terminals (with the installation of a PIN pad attachment). TD Merchant Services created Canada's first chip enabled debit and credit software that is compatible with Microsoft® RMS, enabling the PIN pad attachment to now process chip cards, as well.

### 2. Chip-ready integrated POS.

TD Merchant Services, together with Tender Retail, also launched Canada's first chip-ready integrated POS solution that allows merchants to send payment card transactions from

*Continued on Page 2*

## Payment Card progress

*Continued from Page 1*

their POS systems directly to TD Merchant Services. The software also helps ensure that merchants meet the compliance requirements of EMV, the global technology standard for chip-based cards.

These are just a few examples of TD Merchant Services leadership in bringing you the most up-to-date technology, training and service support available to help ensure a smooth transition to chip technology.

### Contactless transactions

Another new development in the industry is contactless card technology (see “Catch a wave to boost business,”

below), making sales transactions faster and easier. We expect more debit and credit cards with contactless capabilities to be issued in the coming years, and aim to keep merchants ahead of the curve as the technology is introduced.

In fact, we were the first acquirer to support *Visa payWave* transactions in Canada. And in May, we’ll start supporting MasterCard *payPass*<sup>®1</sup> transactions. As the first acquirer to support both EMV and magnetic stripe contactless transactions in Canada, we are able to provide installation, training and service for both contactless card systems.

### Investment in support

To keep you updated and fully equipped to take advantage of these industry developments, we’ve invested in significant projects and additional staffing and resources to improve our industry leading service and support.

Quite simply, our goal is to make sure your payment processing runs as stress-free as possible so you can focus on managing and building your business.

As the payment industry evolves with changing demands, you can count on TD Merchant Services to continue to support you in providing the solutions designed for you and your customers. ■

BUSINESS  
BOOSTERS

## Catch a wave to boost business

**With a simple wave at the cash register, your customer can breeze through a purchase with the new *Visa payWave* card in hand.**

This new contactless card is embedded with a microchip and a radio antenna, and can simply be waved in front of a secure, contactless reader for a secure, fast way to pay. Greater numbers of contactless cards will be introduced in Canada this year.

Merchants will also enjoy these benefits:

- **Speedy transactions.** With no signature or PIN to enter, or need to provide change, a transaction can be completed in less than a second. Ideal for high-volume, quick-service businesses where speed of service is important, such as coffee shops, movie theatres and newsstands.
- **Easy setup.** Simply plug the reader into your existing TD Merchant Services chip enabled POS terminal and you’re ready to go.
- **User-friendly.** Cardholders simply follow the prompts on the reader, and the reader will beep when the transaction is authorized. No receipt is required unless the cardholder requests one.
- **Increased sales.** Since checkout is so fast and convenient, customers enjoy a more pleasant shopping experience and may be encouraged to make additional purchases.

- **Save time and money.** By serving customers faster, you’ll reduce waiting times and line-ups. By handling less cash, you reduce the possibility of errors and the cost of cash management. And fewer receipts help reduce paper costs.
- **Secure processing.** The card never leaves the customer’s hand. Dynamic data authentication (DDA) ensures only a valid *Visa* Card with the *Visa payWave* feature can be accepted.

To find out more visit [www.tdmerchantservices.com](http://www.tdmerchantservices.com) or [www.visa.ca/paywave](http://www.visa.ca/paywave)



Contactless cards are ideal for coffee shops, newsstands and other high-volume, fast-paced businesses.

## Managing Your Business

# 3 winning ways to maximize efficiency

In the current economy, it's more important than ever to make every dollar count by fine-tuning your operations and being more efficient. Here are three practical ideas and business tools that can help you save time and costs.

### 1. Upgrade your connection

The TD POS Express<sup>1</sup> Internet connection, available exclusively to TD Merchant Services, can help you lower costs while enhancing customer service. With this Bell Canada Digital Subscriber Line (DSL) connection, you can:

- **Boost efficiency.** Use fewer lines to process credit and debit card transactions and handle other business communication needs.
- **Save money.** Save as much as 41% off normal Bell Canada pricing with the TD Merchant Services Loyalty Credit. Use TD POS Express to replace existing phone lines and your current business Internet connection to save even more.
- **Save time.** Process card payments four times faster than with dial-up and serve customers more quickly.

### 2. Reduce chargeback risk

Chargebacks — reversals of disputed sales transactions — can prove costly in terms of time and money for any business. Take time to review these processing procedures with your staff to help prevent chargebacks later.

- **Process cards electronically.** Key-entered transactions are more time-consuming and have more potential for error, increasing the risk of chargebacks. Follow proper procedures by swiping the card through the terminal, whenever possible.
- **Close batches daily.** The sales amounts you process through your POS system aren't credited to your merchant account until you've closed your batch of transactions. By doing so at the end

of each day, you'll receive your credit as early as the next business day. Wait two days, however, and you'll lose the right to dispute chargebacks for that batch of transactions.

### 3. Use online reporting

This convenient Web-based data-retrieval and management tool can help you enhance efficiency and manage transaction reports more effectively. Instead of waiting for your paper statement to arrive by mail, you can access your daily card transaction details as soon as they are processed.

With payment processing information at your fingertips around

the clock, you can verify transactions and reconcile your books when it's most convenient. You can also view retrieval requests and chargebacks online to respond more quickly to sales disputes and avoid potential losses.

The option to receive customized detailed transaction reports and retrieve up to 12 months of payment history can also help you manage your business at peak efficiency.

Call us today at 1-800-363-1163 to receive the benefits of Online Reporting and TD POS Express. For more information, including taking the Online Reporting Web Tour, visit us at [www.tdmerchantservices.com](http://www.tdmerchantservices.com) ■

PLANNING  
AHEAD

## Build business online

**More Canadians purchased goods and services online last year than ever before, according to Statistics Canada, with total e-commerce sales up 61% from 2005.<sup>2</sup>**

Online Mart from TD Merchant Services can help you take advantage of this shopping trend. By adding an e-commerce component to your existing website, or creating a new online storefront, you can reach more customers and expand sales opportunities.

**Web-based payment solutions.** Online Mart provides complete end-to-end payment management and processing services, such as:

- Managing orders and providing secure, real-time credit card processing and authorization.
- Processing recurring transactions (such as weekly or monthly subscriptions or fees) automatically on scheduled dates.
- Processing an unlimited number of transactions in a single batch.
- Depositing daily receipts into your TD Canada Trust account.

- Providing access to detailed statements of your account activity.

**Tracking transactions.** Online Mart also offers comprehensive back-office services and sales reports.

- Search for specific transactions and choose daily or monthly reports from your transaction history.
- Review revenue totals, order amounts and total number of customers who have shopped at your site.
- Enjoy around-the-clock telephone support for you and your customers.

### Create your electronic storefront.

If you want to build a new e-commerce storefront from scratch, visit Online Mart's virtual test site to try out the seven design templates. You can get started right away at [www.onlinemart.ca](http://www.onlinemart.ca). Simply click on "Build Your Test Online Storefront/Apply Now" to get started.

To find out more about how Online Mart can help you expand your reach to customers, visit [www.onlinemart.ca](http://www.onlinemart.ca) or call 1-800-363-1163.

## Economic Outlook

# State of the retail nation

By Craig Alexander, VP & Deputy Chief Economist, TD Bank Financial Group<sup>3</sup>

Retailers are braced for a challenging year. Indeed, they came to terms with this pragmatic and realistic outlook some months ago, as there was widespread speculation that the Canadian economy was falling into recession last fall.

The recent data have confirmed that these fears were realized, as the economy weakened in the final months of 2008 and job losses mounted in early 2009. As Perrin Beatty, President and CEO of the Canadian Chamber of Commerce, said in a recent speech, “Even if our economy has remained healthier than those of many of our trading partners, we cannot escape the global slowdown.”

This economic weakness and the resulting impact on consumer confidence are expected to result in a pullback in retail spending in 2009. TD Economics is expecting retail sales to decline by 3.0% this year, after growing by 3.2% in 2008.

In contrast to the early part of this decade when regional economic performances varied wildly, the economic downturn will be felt from coast to coast. Every province, except Saskatchewan, will experience an economic contraction this year – and Saskatchewan’s growth rate will drop by 2.7 percent-



TD Economics expects retail sales to decline by 3.0% in 2009, with a boost in 2010.

age points to a mere 0.4%.

Unemployment rates will also rise across the country. Along with slumping prices, this points to a contraction in the value of retail spending in all provinces. Alberta, B.C. and Ontario could see the sharpest pullbacks, while Manitoba, Saskatchewan, Quebec and the Atlantic region should outperform.

While things look far from positive at the moment, it is important to stress that the tide will eventually turn. We had recessions in the early 1970s, early 1980s and early 1990s. Each was painful during the downturn, but a recovery always followed.

Around the world, central banks and governments have laid the foundation for a recovery by slashing interest rates to record lows and introducing

major fiscal stimulus packages. With time, the negative forces will start to retreat, which points to a recovery taking hold.

In 2010, TD Economics anticipates that the global economy and the Canadian economy will be on the mend, setting the stage for a boost in domestic retail sales. ■

### Preferred paper suppliers

The following companies are preferred suppliers of paper for TD Merchant Services point-of-sale terminals. To ensure that you’re dealing with a reputable dealer, give one of them a call when you need paper.

- Main-Tech Industries, 1-800-268-5120
- Maxwell Media Products, 1-800-561-6406
- Papier Parfait Inc. 1-877-745-5163

### Payment Solutions you can count on

Contact is published periodically by TD Merchant Services. Every effort has been made to ensure that the information contained in this newsletter is accurate. However, TD Merchant Services is not liable for any errors or omissions in the information or for any loss or damages suffered arising from such errors or omissions.

For more information, please write to: Contact Newsletter, TD Merchant Services Marketing Department, 100 Wellington Street W., 29th Floor, Canadian Pacific Tower, Toronto ON M5K 1A2; or call toll-free 1-800-363-1163; or visit [www.tdmerchantservices.com](http://www.tdmerchantservices.com)

1. Not available in all areas. Speak with a TD Merchant Services representative to determine if TD POS Express is available in your area.
  2. Statistics Canada, 2007 Canadian Internet Use Survey.
  3. TD Bank Financial Group means The Toronto-Dominion Bank and its affiliates that provide deposit, investment, loan, securities, insurance, trust and other products and services.
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