

# Delivering Value

An industry magazine for clients of Harland Clarke

Summer  
2010

Volume 5 Issue 2

## By the Numbers

**37%**

Percentage of Gen Y willing to interact with their bank or credit union using social media

(page 5)

**3.8 billion**

The projected number of email accounts worldwide by 2014

(page 9)

**100%**

Percentage of people submitting identity theft claims who were satisfied with Harland Clarke's identity protection solution

(page 12)

**24/7**

Availability of self-service check ordering for your account holders via OrderMyChecks.com

(page 15)

**08.25.10**

Javelin Strategy Webinar: "Fee Income Growth Opportunities in the Identity Protection Market"

(page 16)



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## Two Trends Now Shaping Financial Institutions

Financial industry leaders to plan strategically for regulatory compliance and technological innovation

Earlier this year, Javelin Strategy & Research, a leading provider of quantitative research focused exclusively on financial services topics, issued a report that identified the top 10 trends likely to transform the financial industry in the months ahead.<sup>1</sup> *Delivering Value* takes a closer look at two of these trends.

### **Trend: Regulatory backlash forces financial institutions to re-evaluate business models**

The past year has been marked by widespread calls for changes in the regulatory system.<sup>2</sup> A case in point has been the consumer and media reaction to overdraft fees and the ensuing changes to Regulation E.

And, as this issue of *Delivering Value* went to press, sweeping financial reform legislation that has the potential to reshape the industry was signed into law by the president.

These regulatory changes and the need for mandatory compliance are forcing a fundamental shift in thinking among banks and credit unions. Proactive institutions will use this opportunity to innovate and plan strategically in order to find new sources of fee income, cut costs and attrition, increase cross-sell and boost profitability. Javelin highlights an important caveat: Consumers are willing to pay for premium, high-value services, but not for services they are accustomed to getting for free.<sup>3</sup>

(continued on page 4)

<sup>1</sup> Javelin, "10 Trends That Will Shape Banking, Payments and Security in 2010," January 2010

<sup>2</sup> [http://topics.nytimes.com/topics/reference/timestopics/subjects/c/credit\\_crisis/financial\\_regulatory\\_reform/index.html?inline=nyt-classifier](http://topics.nytimes.com/topics/reference/timestopics/subjects/c/credit_crisis/financial_regulatory_reform/index.html?inline=nyt-classifier)

<sup>3</sup> Javelin, "10 Trends That Will Shape Banking, Payments and Security in 2010," January 2010

# Leadership Letter

## Executive Spotlight

Dan Singleton is president and chief operating officer of Harland Clarke. He oversees all business units for Payments Solutions, Marketing Services and Security Solutions, including sales, marketing, operations and contact centers. He joined the company in 1988 and has more than 20 years of experience in the securities printing industry.

## Enhancing Value Through Growth

Throughout Harland Clarke's lengthy history, one hallmark of our company has been continuous growth. We grow not for the sake of expansion itself, but with the intention of further contributing to our strength as a solutions-oriented organization, improving what we do and how we do it, and enhancing the relationship value we offer to our clients.

In 2010, Harland Clarke announced the strategic acquisition of three companies: SubscriberMail, Protocol IMS and iPrint. These acquisitions, combined with other initiatives, expand the scope of solutions we offer to help our clients attract and retain businesses while adding more services that business owners need to start, manage, grow and protect their businesses. They also contribute to Harland Clarke's focus on supporting our clients with multiple channels for marketing and communications, including print, email and phone.

This issue of *Delivering Value* delves into some of the ways your financial institution can enhance product and service offerings and increase relationship value with consumers. In our cover story, you'll learn about the top trends currently shaping the financial services industry — and the opportunities they are creating for innovation. You'll also discover how the unprecedented pace of regulatory change is impacting the future of checking, and what you can do to replace lost fee income, strengthen account holder relationships and reduce expenses.



In addition, you'll hear from one of Harland Clarke's email marketing experts about the roles of social media and consumer segmentation, what you can do to make the most of your next email campaign and common mistakes to avoid. If you have been looking for an easy way to encourage account holders to reorder checks from your financial institution, read on to see how OrderMyChecks.com, Harland Clarke's new self-service ordering website, can help. And, in our case study, you'll read about the success one client has experienced by combining free identity theft protection using Harland Clarke's fully managed recovery solution with a credit card offer to enhance acquisitions.

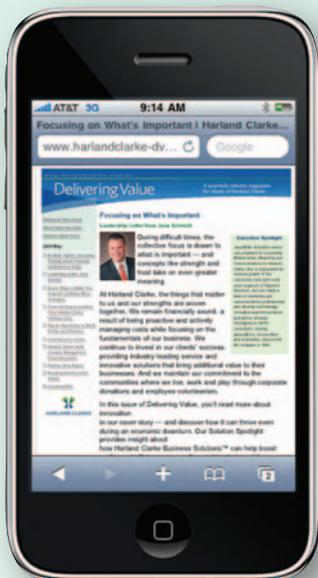
It is in the spirit of continuous growth and improvement that the entire team at Harland Clarke is engaged in enhancing the solutions and the value we offer to our clients so that you can do the same for the consumers you serve. And it is our pleasure and our passion to continue doing so.

Sincerely,

A handwritten signature in black ink that reads "Dan Singleton". The signature is written in a cursive, flowing style.

Dan Singleton  
President and Chief Operating Officer  
Harland Clarke

**Did you know** that you can access *Delivering Value* online? Simply visit [harlandclarke.com/dv](http://harlandclarke.com/dv) to find current and previous issues.



### WANT MORE INFORMATION?

To find out how Harland Clarke can help you improve business performance, contact your account executive or write us at [harlandclarke.com/contactus](http://harlandclarke.com/contactus).

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## COVER

### Two Trends Now Shaping Financial Institutions

The success of your institution may hinge on how wisely it plans for regulatory compliance and new technology. Is your financial institution on the right track?

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Email is growing and the buzzwords are changing. If you're still relying on old-fashioned generic eblasts, it's time for a new tack.

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Identity theft strikes 11 million Americans each year. Don't miss this free webinar from Javelin Strategy & Research and Harland Clarke — and discover how you can tap into this growing market.

## Two Trends Now Shaping Financial Institutions

(continued from cover)

Javelin encourages financial institutions to intensify the search for new ways to bundle products, including offering a premium level of service for select account holders. Forward-thinking financial institutions will position themselves as consumer advocates via the introduction of services that enhance account holders' ability to manage their finances while simultaneously reducing the institution's overhead.

Indeed, David McConney, executive vice president of Client Services at Harland Financial Solutions, said in an interview in *Credit Union Journal* that the trend is toward smaller credit unions merging in order to better manage the increased costs of compliance. Along with tightened regulations, risk management in particular will become ever more important to banks and credit unions, according to Harland Financial Solutions, to mitigate unexpected credit losses and to introduce greater transparency and controls into the lending process.

Chris Fleischer, market research manager for Harland Financial Solutions, adds that financial institutions will need to make changes to products and pricing, and compliance with new regulations will put a growing burden on even the healthiest institutions, perhaps necessitating partnerships with strong providers. This means re-evaluating in-person and electronic services, as well as onboarding and rewards programs. Being proactive in risk mitigation solutions demonstrates to regulators that a financial institution understands risk, especially in loan portfolios, and that the institution is managing it well.<sup>4</sup>

### **Trend: Prioritizing investments becomes critical as hard times hinder innovation**

The success of financial institutions will depend on their ability to make smart, long-term investments in technologies that will shape the future of the industry. Javelin points out that banks and credit unions need to do more with less, which is especially true for smaller financial institutions — regional banks, community banks and credit unions — that cannot afford to develop innovations internally. According to Javelin, this “creates a void that must be filled by vendors ... that can deliver affordable upgrades that can easily plug into existing systems ...”

The technologies that hold the most promise, Javelin indicates, are online and mobile banking solutions. Account holders want a simple way to manage their finances, and online and mobile banking products can help meet that need by integrating account monitoring and bill paying into an easy, one-stop financial portal. However, the transformation is likely to be a slow process, because the first step may be simply getting account holders to try online and mobile banking, and convincing them that such services are practical and safe. This is confirmed by a Javelin survey conducted this year, which found that nearly half of mobile phone users had not tried mobile banking because they did not see the value in it (44 percent) or trust that it was secure (42 percent).<sup>5</sup>

Furthermore, Fleischer points out that dated and inflexible technology applications often are at the root of inefficiency. Yet today's economic pressures make financial institutions less likely to tolerate inefficiencies. This lends further support to the need for long-term investment in upgraded and innovative technology.

Sam Kilmer, vice president of market development for Harland Financial Solutions, recently asked several financial executives for their approach to improving efficiency. All agreed that upgraded and efficient technology is a priority. Todd Erickson, chief operating officer of First Flight Credit Union in North Carolina, noted that his credit union outsourced its core system so the technology department could shift from daily maintenance to enabling business services. And Kay Spieler, vice president and cashier of Lee County Bank & Trust in Iowa, added that customer usage of online bill pay has increased. “Solutions are integrated, which has really had a positive impact on our efficiency gains,” she said.

Fleischer adds that the growing integration of data, applications and business processes is an effective way to reduce expenses and increase organizational efficiency. “Integration is an opportunity to bring about improved connectivity of solutions, whether those solutions are internal or via external third parties,” he says.

While these two industry trends — planning strategically for regulatory compliance and investing wisely in innovative technology — pose long-term challenges for financial institutions, the good news is that within these challenges is great opportunity. [DV](#)

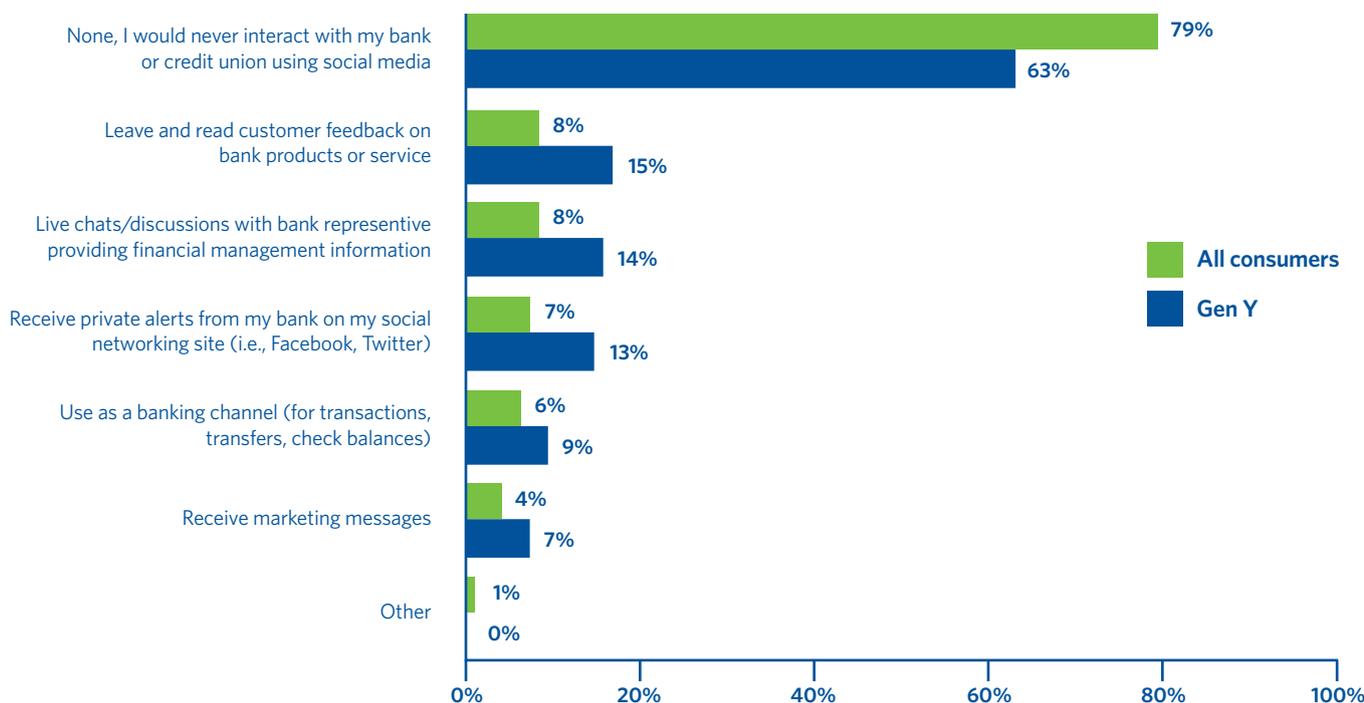
**To learn more about industry trends, and about planning for regulatory compliance, risk management, efficiency improvement and integration, contact Harland Financial Solutions at 1.800.815.5592.**

<sup>4</sup> Javelin, “10 Trends That Will Shape Banking, Payments and Security in 2010,” January 2010

<sup>5</sup> Javelin, “10 Trends That Will Shape Banking, Payments and Security in 2010,” January 2010

## Gen Y Customers Are Significantly More Likely to See Ways for Banking via Social Networks

### Motivations to Use Social Networks for Banking (Gen Y vs. Consumers Overall)



Question: What factors might motivate you to use social media (i.e., Facebook, Twitter) to interact with your bank or credit union?

March 2010, n= 5,211, 1,208 Base: All consumers, Gen Y  
© 2010 Javelin Strategy & Research

## Eight Additional Trends Affecting the Financial Services Industry

In addition to the two trends explored in the accompanying article, Javelin Strategy & Research identified the following eight trends impacting banks and credit unions in 2010:

1. Financial services institutions will open their software platforms to third-party application developers, driving innovation.
2. Person-to-person (P2P) payment services will be more widely used as they are integrated into online platforms. Eight percent compound annual growth for online P2P transfers is predicted through 2014.
3. Merchants will demand more power in the transaction market, due to higher expenses for payment acceptance and fraud management.
4. Increased use of cloud application software — or data that is accessed by users remotely via the internet — will revive interest in federated identity solutions, which enable financial institutions to allow account holders to log on to multiple websites with one sign-in process.
5. Real-time data will become essential as account holders grow frustrated with hours-old batched data when using online and mobile applications.
6. End-to-end encryption, tokenization and EuroPay MasterCard Visa will generate interest as merchants deal with the rising cost of data breaches and Payment Card Industry compliance.
7. Remote attacks on ATMs and debit PINs will escalate, putting the standard four- or six-digit PIN at risk and requiring higher standards of encryption.
8. The social web will be the new frontier for fraud, necessitating a need for better security and best practices.



# Email Marketing

## What's New? What's Hot? What's Next?

Social media, integration and segmentation are changing the email marketing landscape



**W**ith the current focus on social media sites such as Facebook and Twitter, what is the status of good old-fashioned email? Is it dying, or thriving? Are marketers still using email as effectively as possible? Delivering Value sat down with email marketing expert Dan Swartz, vice president of marketing for SubscriberMail, a Harland Clarke company, and got some straight answers.

**DV: What typical questions do you get from clients these days when you embark on an email campaign?**

**Dan:** The first question usually is: Do I have permission to email these people? The CAN-SPAM Act established highly specific legal requirements for commercial email, including the right of recipients to opt out of mailings. We only work with permission-based marketers that have clearly received permission from recipients to communicate with them via email. Not all lists are permission-based.

Organizations also want to know how to manage “unsubscribes” and “bounces” (undelivered emails). We automate these processes to ensure clients are following best practices in this area.

Another question that often arises: How frequently should I send out emails? Weekly? Monthly? There really is not one answer, because it depends on the situation. One way to gauge frequency, based on the audience, is to look at email response reports and analyze program trends in terms of who is unsubscribing, or who is reading the messages and what they are clicking on. That gives us insight as to how much we should mail. If we send too much email, we will typically see a trend toward more unsubscribes or toward less engaged recipients. Another concern,

especially for small community banks and credit unions without a team of technical programmers: How am I going to build or manage all of this? That is where vendor platforms and tools come into play, especially for clients that may not have a lot of technical experience. Through our interface, we have made it very easy to build messages using templates and to manage a program from beginning to end.

**DV: What about organizations, like SubscriberMail, with heavy email marketing experience — what is their current focus?**

**Dan:** More experienced email marketers generally are focusing on integration, which means taking the data we are collecting from our email campaigns and integrating it with other marketing initiatives. Part of how we handle this is to use an API (application programming interface) that enables our systems to talk to different systems within the client organization so we can start feeding data back and forth.

Another concern is ensuring the overall efficiency of an email campaign. For example, a client that has 20 segmented offers may want to know if it is better to create separate messages or to create one message and have pieces of it dynamically replaced for each segment of the audience. Clients want to evaluate how to best manage this sort of dynamic list segmentation. The more we can automate, the more efficient we can help our clients become.

Also, in the past few years we’ve seen a lot of marketers saying, “Okay, now what?” They may have some basic experience with email, or perhaps they are somewhat sophisticated in what they are doing. Either way, they want to know how to take it further and what is next out there. It is important to review the specific, overarching goals of the program periodically and to take an overall look at the program strategy and say, “Here is where opportunities exist to improve results or to increase operational efficiency.” Even if the bases are covered, an organization should ensure the strategy is still sound and it continues to grow the business as effectively as possible. It is an ongoing process of testing and refining. Marketers never want to rest on their laurels.

**DV: What typical mistakes do financial institutions make with regard to email marketing?**

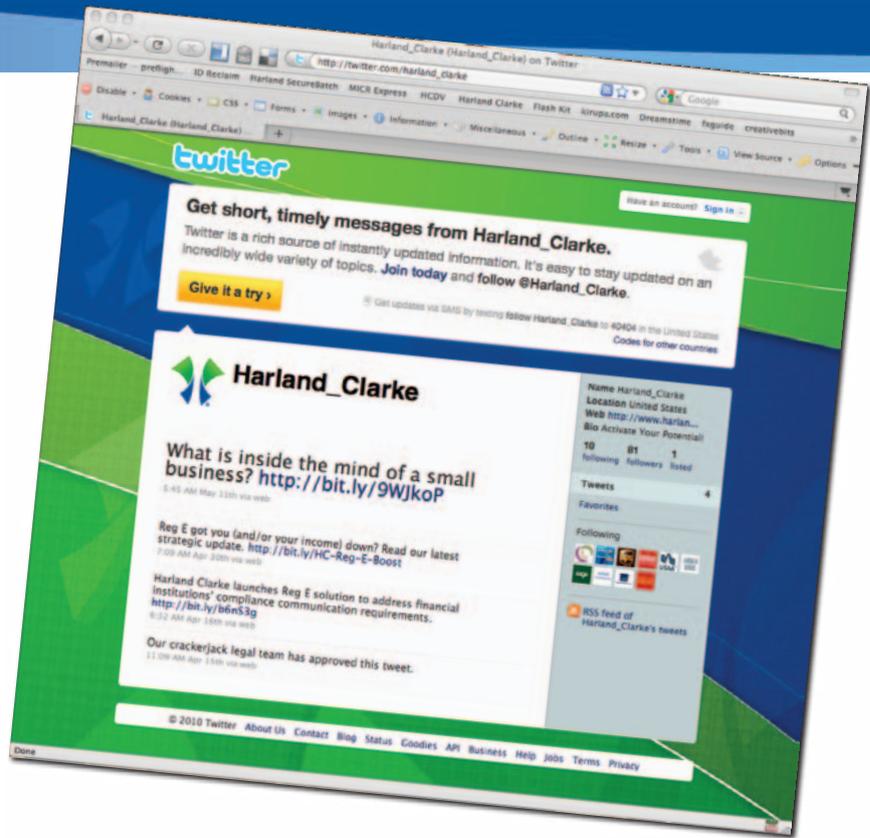
**Dan:** Gone are the days when an organization could send out a generic newsletter and people would open it because they thought email was cool. Consumers are inundated with email now, and marketers have very little time to capture their attention. A big problem is that most marketers treat everybody the same and expect to get good results. This is the “email blast” mentality that we try to steer clients away from — the same message does not work for everyone.

(continued on page 8)



Marketers need to segment their messages more, meaning they need to tailor them to the specific preferences, behaviors and demographics of their audience. As recipients receive more email, the message has to be more relevant or it will go unread. It is a mistake when marketers do not pay enough attention to content. We see many organizations focusing on how an email message looks visually, to its design, but not on the actual content.

We also see many organizations not paying enough attention to strengthening the email “call to action,” to creating opportunities for the recipient, and to managing what actually happens when the recipient clicks a link. For example, if the email is linked to a website, what sort of landing page does it provide? Driving traffic to a website is only part of the equation; it is important to provide a clear path for that traffic, which leads to the point of conversion.



In addition, it is a mistake to think of email as a stand-alone medium. Email ties into many different marketing and communication areas within an organization. It can drive people to a website or to a branch location, depending on the offer. So all of these elements — email, direct mail, the contact center, website and branch — need to connect and provide the account holder or prospect with a unified experience and message.

If only email addresses are available, we can create different messages based on whether recipients have opened or responded to email in the past. The more data we have, the better we can segment, and that helps drive content and, ultimately, increased ROI. Organizations may have more data than they think; it just means looking at the data creatively in terms of how to segment it.

**DV: In general, how does the email segmentation process work?**

**Dan:** It depends how much background information is available on a particular audience. Is there demographic information, or are there records of their past actions with regard to email? If the only thing available is a list of email addresses with no other information on what is relevant to those recipients, segmentation is challenging. It is important to see what information can be obtained about the people on the list. Are they recent purchasers? Big-ticket or small-ticket buyers? Longtime clients? Are they within a certain geographic area? The content of the email message might change considerably based on those parameters.

**DV: What is a good response rate?**

**Dan:** A lot of clients ask about response rates. The fact is that it really varies based on many factors, including the message and the audience. There are many variables to consider, making an industry standard response rate somewhat misleading. It is possible to have 100 different email programs and 100 different acceptable response rates. We tell our clients to look instead at overall trends — look at how the needle is moving in a specific program.

It is also a matter of deciding how to define “response.” Is it the number or percentage of recipients who open the email message? Or is it the



number who clicked through to a website? Or who made a purchase? The email response should be moving the institution in the right direction. The bottom line is that email is considerably more complicated than an old-fashioned direct mail package.

### DV: What are some emerging email marketing trends? Where is email marketing headed?

**Dan:** One emerging trend is that companies are making sure that their email programs complement their social media programs. The buzz out there is still Twitter and Facebook, and marketers want to know how email plays into that. The biggest opportunity is to have email drive people to social media networks in order to interact with them again there. Organizations also want to know how to best use social media sites to acquire new email addresses. The trend is toward a lot of integration between email and social media.

Another integration point we see is mobile messaging, because some people prefer to receive certain messages in a mobile application. We are currently working on developing tools to enable that sort of multi-faceted approach. There is an increasing awareness within marketing circles that email and text messaging are not separate platforms; we view them as components of a fully integrated approach to electronic communications. I think clients are seeing this process in a much more integrated, dynamic way.

### DV: But isn't there a trend away from email because of the popularity of social media?

**Dan:** No, I do not think there is a shift away. In fact, it is the opposite. It is less about sending out email messages and more about making email as effective as possible. A shift is taking place toward seeing email in conjunction with social media and other marketing tactics. Just like television did not kill radio, and the DVD did not kill the movie theater, we continue to make room for new technologies while finding new ways to use older, more established vehicles. The number of worldwide email accounts is projected to increase from more than 2.9 billion this year to more than 3.8 billion by 2014.<sup>1</sup> Email is not going away by any means. **DV**



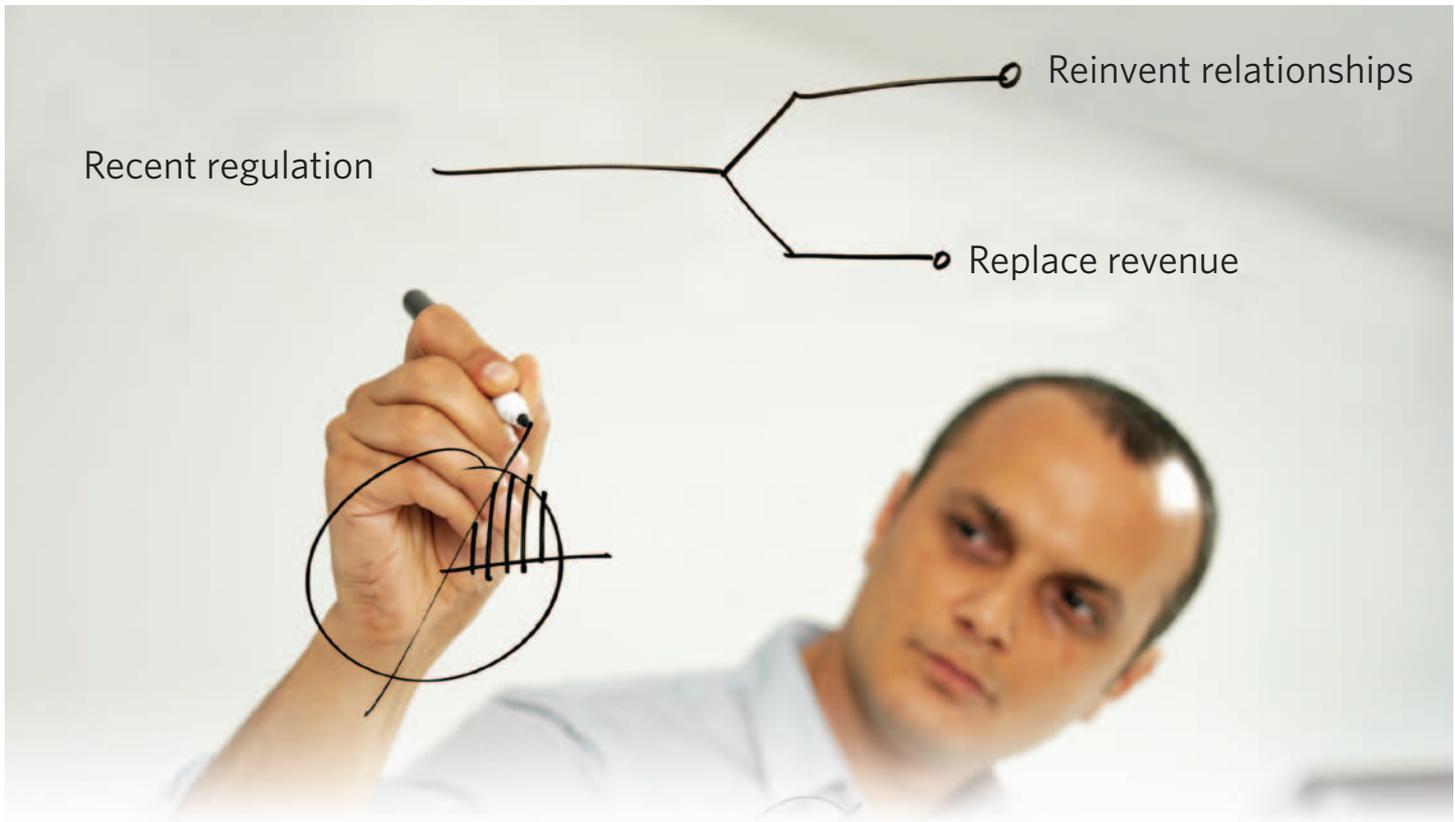
**SubscriberMail is an award-winning provider of email marketing services that helps email marketers design and deliver cost-effective email campaigns. For more information on using SubscriberMail to reach account holders and prospects, contact your Harland Clarke account executive or visit [harlandclarke.com/contactus](http://harlandclarke.com/contactus).**

## Five Best Practices for Email Marketing

Email marketing expert Dan Swartz, vice president of marketing for SubscriberMail, recommends adhering to these five best practices when implementing email marketing campaigns to account holders and prospects:

- 1. Use permission-based lists.** Work only with opt-in email marketers, which results in a more qualified group of recipients. And keep your lists clean by properly managing unsubscribes and bounced addresses.
- 2. Segment your lists.** Move away from the "mass market" mindset. Email the right message to the right person at the right time.
- 3. Create effective messages.** Emails should be relevant and appealing, with effective calls to action. If content and visual appeal are not strong, your emails will be deleted.
- 4. Look at overall trends.** There is so much data in email reports that it is easy not to see the forest for the trees. Don't get lost in details. Take a look at trends over time to more effectively refine strategy, pinpoint opportunities and set new goals.
- 5. Integrate with other marketing tools.** Make sure your email hyperlinks take recipients to a relevant landing page that reinforces your message. Email should be fully integrated with other communication vehicles.

<sup>1</sup><http://www.radicati.com/wp-content/uploads/2010/04/Email-Statistics-Report-2010-2014-Executive-Summary2.pdf>



## The Changing Face of Consumer Checking

The current environment of unprecedented regulatory change is driving a fundamental shift in the checking landscape — with a renewed focus on creating value in the consumer relationship

The impact of far-reaching financial legislation and regulatory change is creating the need for financial institutions to re-evaluate their checking business models. Institutions today are beginning to move away from the acquisition-oriented mindset of the “free checking” era toward building new revenue streams grounded in the value of the services they provide to account holders.

### The Legislative Effect on Revenue

Regulation E initiated a whirlwind of activity as financial institutions prepared to comply with the overdraft opt-in requirements and protect this important source of fee income. Even as Reg E-related efforts to maximize opt-ins continue beyond the effective dates, the focus will shift more heavily toward revenue generation in order to replace lost fee income. While

estimates vary widely depending on financial institutions’ current policies and the effectiveness of their opt-in initiatives, the need to offset lost income is critical. The Banc Investment Group estimates Reg E will reduce fee income for many institutions by up to 10 percent or more.<sup>1</sup>

Further impacting the consumer revenue picture for financial institutions is the financial overhaul bill (Dodd-Frank Act), which requires the Federal Reserve to establish standards that ensure debit card interchange fees are “reasonable and proportional” to the costs of delivery. Although it is uncertain how this will be defined, financial institutions could stand to lose 50 percent or more of interchange revenue, translating to an annual decline of more than \$5 billion, according to PaymentsSource.<sup>2</sup>

### Checking Changes

The stage is set not only for broad-based changes in consumer checking, but also for product innovation and differentiation. According to Diane Merrifield, principal of Minneapolis-based Mindbridge Marketing, “We’re already seeing evidence of these changes unfolding, with the introduction of a new generation of checking products designed to add value, reduce costs and increase revenue. While perhaps driven by regulation, financial institutions now have the very real opportunity to rethink their strategic approach to consumer transaction-based products and services to one that provides value to account holders and enhanced contribution to the institution.”

<sup>1</sup>[www.ababj.com/briefing/the-reg-e-opportunity.html](http://www.ababj.com/briefing/the-reg-e-opportunity.html)

<sup>2</sup>[www.americanbanker.com/news/interchange-steep-cost-1021472-1.html](http://www.americanbanker.com/news/interchange-steep-cost-1021472-1.html)

Some of the emerging checking offerings include:

- The return of basic minimum balance accounts with tiered maintenance and transaction fees
- Relationship-based packages that encourage broader, deeper relationships as well as institutional loyalty
- Build-it-yourself checking options that promote choice and charge for value-added services
- High-rate accounts that require direct deposit and a minimum number of debit card and other specified monthly transactions
- Paperless “electronic” accounts designed for those who want a low-cost, self-service option
- Reloadable prepaid cards that provide an alternative to the traditional checking account and appeal to consumers who value the control and certainty prepaid cards offer

Much is yet to be determined regarding the financial impact of recent regulations — and how checking will look in the future. But financial institutions of all sizes now face the need to develop new strategies based both on what consumers want and what will provide enhanced revenue generation for their organizations. **DV**

**For more information about how Harland Clarke can help support your checking strategies, contact your account executive or visit [harlandclarke.com/contactus](http://harlandclarke.com/contactus).**

## What Consumers Want in a Checking Account

Building and retaining high-value relationships require understanding account holder segment needs and preferences. Here are some of the basics consumers look for in a checking account.

<b>Convenience</b>	<ul style="list-style-type: none"> <li>• 24/7 multi-channel information and transaction options</li> <li>• Branch location(s)</li> <li>• Technology-savvy channels</li> </ul>
<b>Safety and Security</b>	<ul style="list-style-type: none"> <li>• Institutional safety and soundness</li> <li>• Security and fraud protection services</li> </ul>
<b>Service Quality</b>	<ul style="list-style-type: none"> <li>• Prompt, responsive service</li> <li>• Knowledgeable, professional and friendly employees</li> <li>• Accuracy</li> </ul>
<b>Features and Benefits</b>	<ul style="list-style-type: none"> <li>• Simplicity — easy to understand and manage</li> <li>• Reward programs</li> <li>• Relationship advantages</li> </ul>
<b>Policies and Pricing</b>	<ul style="list-style-type: none"> <li>• Fair account requirements, terms and fees</li> <li>• Value-based pricing options</li> <li>• Consumer-friendly policies</li> </ul>

### Products and Services That Replace Fee Income, Add Value and Strengthen Relationships, and Reduce Expenses

	Replace Fee Income	Add Value and Strengthen Relationships	Reduce Expenses
Security and Fraud Protection Services	X	X	
Overdraft Protection Options	X	X	
Reward Programs	X	X	
Debit Card Penetration and Usage	X	X	X
Prepaid/Stored Value Cards	X		X
Email/Mobile Account Alerts, Mobile Transactions and Services		X	
Enhanced Online Services (including expedited payments, P2P [person to person] payments, loan funding, statements and other account services)	X	X	X
Automated Account Services (direct deposit, recurring payments, auto savings, etc.)		X	X
Remote Deposit		X	X
Personal Financial Management Tools	X	X	
Social Media		X	

## Client Cases

# DuPont Goodrich Federal Credit Union Boosts New Accounts With Identity Protection



## Opportunity

DuPont Goodrich Federal Credit Union, known as “DuGood” and based in southeast Texas, set a goal to increase credit card account acquisitions. At the same time, DuGood wanted a solution to help protect members from the rising tide of identity theft. This prompted the credit union to evaluate offering an identity theft protection service to help safeguard its account base.

## Solution

To address its dual goals of providing a service to help protect members and to increase account acquisitions, DuGood began offering new and existing credit card holders free identity theft protection using an identity protection solution from Harland Clarke. This fully managed recovery solution delivered excellent value — for both its low cost to the credit union and its high value to members.

DuGood launched a marketing campaign targeting current as well as potential members in order to promote its credit card and free identity protection services from Harland Clarke. The campaign included a direct marketing piece to hundreds of members whose credit card balance or usage was low. Other elements of the campaign included a website banner ad, an offer in its quarterly member newsletter, two email marketing pieces, ads in four local newspapers, and a promotion on marquees in front of all branches.

## Great Results

After implementation, the number of new credit card accounts nearly doubled. Previous DuGood credit card promotions were also successful, but they did not bring in nearly the increase in the number of new accounts as did the addition of free identity theft protection. The program achieved the goal of increasing credit card account acquisitions. The identity theft service gave DuGood a strong competitive edge in a highly competitive market.

## Future Plans

DuGood was so pleased with Harland Clarke’s identity protection solution that it has decided to expand the free solution to debit card holders as well.

DuGood also will offer a fee-based premium identity protection solution from Harland Clarke, which will provide additional revenue opportunities for the credit union.

In addition, DuGood is conducting webinars for its staff in order to educate them about the extended plan and the promotion, and about the risks of identity theft, so that they can be a more valuable resource to members.

Feedback on the resolution service has been uniformly positive, with members highly appreciative of the new service. Those who have submitted claims have been 100 percent satisfied with their recovery service.<sup>1</sup> 

<sup>1</sup> Results based on informal survey of account holders who used Harland Clarke’s identity recovery service.

# Facts About Identity Theft

**66%**

Percentage of U.S. adults who worry "frequently" or "occasionally" about becoming a victim of identity theft.

*Gallup Crime Survey, October 2009*

**46 million**

Number of Americans in the past five years who were victims of identity fraud.

*Javelin Identity Fraud Survey Report, February 2010*

**11 million**

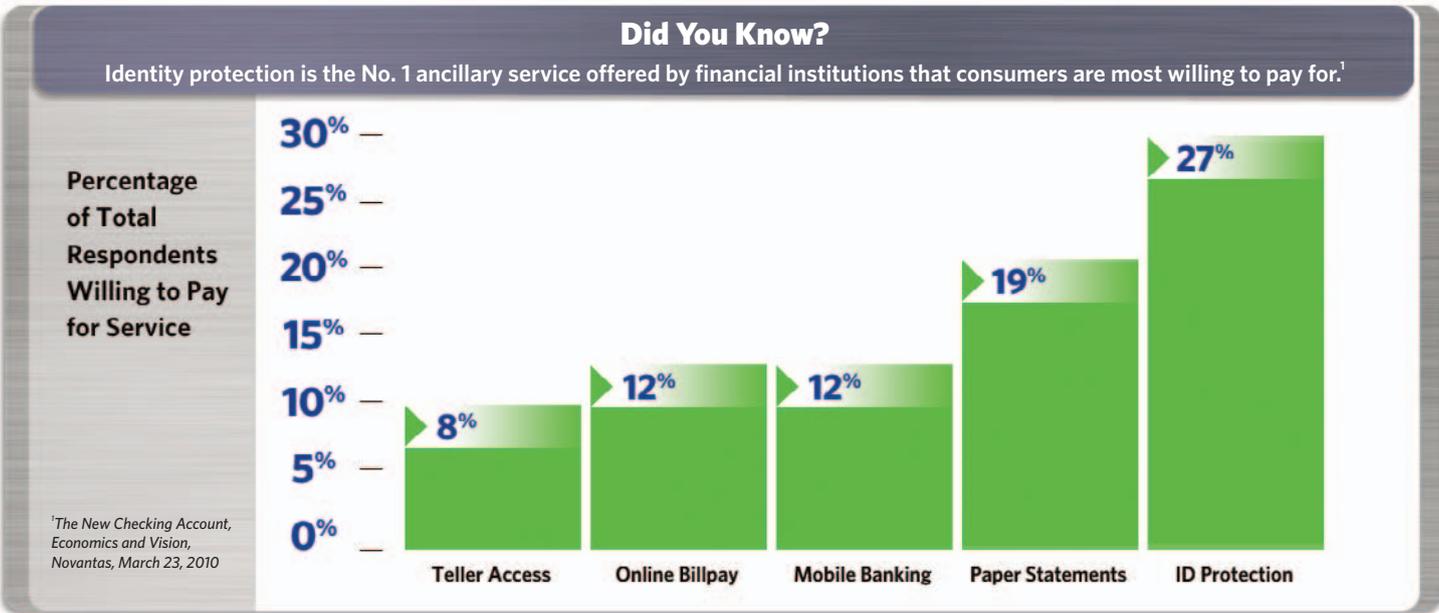
Number of U.S. adult victims in 2009, an increase of more than 12% compared with 2008.

*Javelin Identity Fraud Survey Report, February 2010*

**\$54 billion**

The total annual fraud amount in 2009, a 12.5% increase over 2008, when it was \$48 billion.

*Javelin Identity Fraud Survey Report, February 2010*



## Identity Theft Webinar!

Mark your calendars for **Wednesday, August 25**, when Javelin Strategy & Research and Harland Clarke present a complimentary 60-minute webinar, "**Fee Income Growth Opportunities in the Identity Protection Market.**" For details, see back cover.

## Product News



# Harland Clarke Launches OrderMyChecks.com

## New self-service website makes personal and business check ordering easy and efficient

Ordering checks — and remembering where and how to reorder them — has never been easier for your account holders. Harland Clarke recently launched **OrderMyChecks.com**, a site that combines all of our current check-ordering capabilities into a single self-service destination for consumers online.

“The new URL is easy to remember, and it represents exactly what consumers want to do when they place a check order online,” says Matt Wier, Harland Clarke’s vice president of marketing technology. “In addition, we have developed this website so no set-up is required by financial institutions, which adds immediate value.”

Your consumers can simply visit OrderMyChecks.com, provide their routing and account numbers, and gain

access to an online catalog of the checks, accessories and related products that are part of your financial institution’s account plan, complete with your specific pricing.

OrderMyChecks.com does not replace integrated ordering for online banking. Rather, OrderMyChecks.com can be integrated with online banking to enhance the value proposition and convenience of self-service from online banking. This integrated link saves keystrokes and offers additional functionality for new accounts by enabling consumers to make address changes online.

To help support consumer awareness of this convenient self-service ordering channel, OrderMyChecks.com will

appear on checkbox lids, reorder forms, marketing collateral, websites, and other venues. Existing ordering URLs will continue to function, but promotion of them will be phased out. In addition, to help support your financial institution’s strategic objectives, Harland Clarke offers reporting capabilities that show trends in consumer behavior as well as their satisfaction with self-service ordering. **DV**



# OrderMyChecks.com Benefits



## For Your Account Holders

- Easy, convenient self-service ordering possible anytime — open 24/7
- A greater variety of designs to choose from and more shopping time
- Potentially reduced turnaround time with faster delivery options
- Increased order accuracy
- Eservice (chat, email, phone) and order status available regardless of order channel
- Email order and shipping confirmations available for improved security
- Your financial institution's unique pricing and product availability
- Orders fulfilled by your preferred and trusted check printer
- Ability to place orders through integrated online-banking ordering\*

\* If your financial institution makes this option available.

## For Your Financial Institution

- Single, easy-to-remember URL — no more confusion about what to tell account holders
- Reduced errors, reprints and waive charges
- Increased education for checking account holders about easy ordering options
- More time for branch associates to engage in actions that bring increased value to the financial institution
- Additional income generated from the sale of accessories, multiple boxes or product upgrades
- Increased account holder and branch associate satisfaction
- Added value when integrated with online banking



To learn more about how Harland Clarke can help you improve branch efficiency, and provide account holders with easy-to-use self-service ordering options, contact your account executive or visit our toolbox of ideas, best practices and winning examples at [harlandclarke.com/selfservice](http://harlandclarke.com/selfservice).

Javelin Strategy & Research Webinar August 25:

## Fee Income Growth Opportunities in the Identity Protection Market

Sponsored by Harland Clarke

Identity theft ranks with national security as Americans' No. 1 source of concern.<sup>1</sup> With identity fraud growing 12 percent and affecting more than 11 million people (1 in every 21) last year alone, consumers are seeking — and are willing to pay for — new services to help protect them.

On August 25, security, risk and fraud expert Robert Vamosi with Javelin Strategy & Research, a leading authority on financial services research and consulting, will present a *free webinar* on this timely topic. Sponsored by Harland Clarke, the webinar will feature data from Javelin's just-released **2010 Identity Protection Services Scorecard** and other reports highlighting the scope of this growing problem — and the opportunity it presents.

Of benefit to all financial institution officers and managers, the webinar will provide new strategies on how you, as your account holders' trusted financial institution, can be their perfect choice for identity protection services.

### Learn how to:

- **Generate new revenue streams to replace Reg E losses**
- **Increase account holder satisfaction and long-term loyalty**
- **Grow consumer trust and confidence in your institution**

**Wednesday, August 25, 2010**

10 to 11 a.m. PDT

**Register Today:**

[www1.gotomeeting.com/register/990320880](http://www1.gotomeeting.com/register/990320880)

*Now's the time to put this growing market demand to work for your institution.*

### Robert Vamosi, Guest Speaker



Robert brings nine years of reporting experience to Javelin. At CNET/CBSNews.com, he wrote a weekly security column, hosted a popular security podcast and edited a weekly security newsletter. His weekly column earned him a Maggie Award for best regular online column awarded by the Western Publishing Association. He continues to write security articles for PCWorld, Threatpost, Windows Secrets and other sites and is also currently writing a book for Basic Books on the security of everyday things.



<sup>1</sup> Unisys Security Index: United States, Lieberman Research Group, 31 March 2010 (Wave 1H'10)