



NEWS

An Exclusive Publication for Members of the Automotive Retailers Association

WINTER 2009

attention all divisions

What are you really paying for credit card processing? ARA presents a new deal!

Finding your true cost for processing services in today's credit card processing maze is not an easy task.

Have you ever looked at your credit card processing statement and wondered, "what the heck does that mean and why am I being charged for it?" It is becoming more important than ever for business owners to understand their true cost to accept credit cards. The challenge is sorting through multiple offers from credit card processors, all claiming to be the best deal. Which is better -- a small transaction fee or a bundled rate? What about equipment -- should you lease, rent or purchase? What do "Qualified" and "Non-qualified" mean?

As follow up to the front-page article in the winter 2008 ARA News on credit card processing costs, the ARA staff has done its homework. We are pleased to announce a new offer that we believe will save you money. How much money? Well, it depends...

The ARA did extensive research over the last several months and has decided to partner with PayLogec Merchant Solutions Canada Inc. for credit card processing services. PayLogec will help unravel the mysteries of payment processing for you and they will show you exactly what you will save by signing up to this new offer.

One factor that can be easily determined is what you are really paying for your present processing services once all additional fees and charges are considered. Just about every credit card processor prices their services differently. To truly assess your cost for credit card processing, you must look beyond the discount rate you are paying,

and instead calculate the effective rate. The effective rate takes into account ALL fees paid for the month in relation to the total dollar volume processed. It is the most accurate measure of what you paid.

Every business has its own unique set of circumstances that must be considered when making a financial decision like choosing an electronic payment services provider. For example, whether a bundled discount rate or a rate plus transaction fee makes better financial sense depends primarily on the dollar volume your business processes each month and the average transaction size. The lower the average transaction size, the greater the percentage of the sale a transaction fee represents. The same is true for equipment needs -- there are benefits to all three equipment-financing options.

You are invited to see for yourself what PayLogec can do to save your hard earned dollars. They have offered to work with our members one-on-one and perform a no-obligation analysis of your processing needs and answer all of your questions.

To schedule an appointment with PayLogec, please call 604-306-1065.

If you have any questions on this subject for the ARA office, please contact ARA Controller Michael Van Dijk at 604-432-7987. ■

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