

Blackhawk Network launches its retail General Purpose Reloadable (GPR) debit card targeted to not only to the underbanked but to consumers looking for alternatives to traditional banking, debit and credit.



Teri Llach, Blackhawk Network Chief Marketing Officer

Interview with Teri Llach, Blackhawk Network Chief Marketing Officer

In an interview last week with Teri Llach, Blackhawk Network Chief Marketing Officer, Teri informed me that Blackhawk has added a GPR card to their product line in addition to branded bank issued prepaid gift cards. "We have done a lot of research on customer preferences for new financial services," Teri said "and they are telling us that grocery stores are a trusted environment for them to obtain financial services. They feel safe loading and reloading their debit cards at the grocery store where they shop. Our consumer facing market research indicates that there is a demand for these services by not just the underbanked but also that consumers are looking for alternatives to traditional banking, debit and credit."

"The new product is called 'PayPower' is packaged in a consumer friendly manner that even allows them to open the package to see the terms and conditions prior to purchasing the cards." Teri went on to say, "the fees are \$3.95 to purchase and \$3.95 to reload with a monthly maintenance fee of \$5.95 and free direct deposit. The cards can be either loaded at the point of sale check-out counter with a card swipe or with a pre-denominated reload pack. We also have a travel card that includes lost luggage reimbursement, emergency travel customer service and free lost or stolen card replacement. The products are out on the store shelves today and the roll out will continue through 2011."

I asked Teri how the proposed FinCEN rule change for "Providers and Sellers of Prepaid Access" Money Services Business (MSB) registration and BSA compliance at the retail level will impact the sale of GPR cards for Blackhawk and she declined to comment. Instead she deferred any comments on that topic to someone else at Blackhawk Network that is more familiar with that area. I hope to have to follow up with Blackhawk on that subject in the near future and to do an article on the effects of increased regulatory burdens on retail distribution of new financial services products in the prepaid category.

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