

Interview with Jerry Welch, CEO nFinanSe Inc.



Jerry Welch, CEO nFinanSe Inc.

I had a chance to talk to Jerry Welch, CEO nFinanSe™ at the Prepaid Card Expo, in Las Vegas and it seems that there is always something new in the works in Jerry's world. In February nFinanSe, in conjunction with its entertainment partner, Inspire, launched its online music site, www.nFinanSeMusic.com, which provides FREE downloads of new artists and is intended to appeal to young adults aged 18 to 25. According to Jerry, "Music is an integral part of each of our lives and we want to use it to connect the nFinanSe brand with the young fans of the emerging, cutting edge artists featured at nFinanSeMusic.com. For years, large consumer goods marketers have sponsored concert tours and other large events in order to connect their brands with specific consumer demographic groups. We are doing exactly the same thing but in a new, innovative fashion by combining music with the power of technology and the use of social media. By triangulating the Internet with music downloads, with Facebook, MySpace and Twitter, we will connect the nFinanSe brand with thousands of young music lovers in a very powerful way that is familiar and comfortable to them."

With 73 million consumers over the age of 18 with no credit cards, nFinanSe is betting on low cost prepaid debit cards as a natural alternative. Particularly as the recently enacted credit card legislation will make it harder for the 18 to 25 year old consumer to have access to credit cards and with online shopping accounting for 8% of retail sales and continuing to grow in popularity. Jerry'd bet is that Big Box retail distribution combined with aggressive pricing will drive prepaid debit card acceptance. The company recently announced that it was reducing its fee for an ATM withdrawal to \$0.99 from \$1.50 and the fee on an electronic bill payment transaction to \$0.44 from \$1.00.

Jerry said "Fees for ATM withdrawals and electronic bill payments through the use of Reloadable Prepaid Cards have simply been too high and too confusing. Fees for ATM withdrawals range as high as \$2.50 and electronic bill payments are typically \$1.00 or more. Additionally, card providers have implemented bifurcated pricing schemes for ATM withdrawals depending on whether an ATM location is 'in-network' or 'out-of-network' and for electronic bill payments by restricting who can get paid or the number of payments allowed. Although we have always had one 'everyday' price for these features, we still felt that the fees could be pushed down farther and that we should bring greater visibility to them. As a result, we intend to list the fees on our retail packaging moving forward and highlight them in our promotional literature in order to invite comparisons with our competitors."

A. Lyle Elias
ATMIA Founding Director