

Getting Toll Tags to the Cash Preferred



**Summit on AET,
Managed Lanes & Interoperability
Miami, FL**

**Craig Roberts
InComm
Salt Lake City, UT**



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EMPOWERING THE POINT-OF-SALE



Leveraging deep integrations into point-of-sale systems, **we built a retail network** that enables transactions at over **450,000 points worldwide.**

over **\$30 BILLION**
annual transaction volume



We partner with the BEST



TOLLING RELOAD CARDS



CHALLENGE

Toll agencies are moving to AET

- How to service customers used to paying with cash at toll booths?
 - Cash-preferred?
 - Unbanked or underbanked?
- How to get transponders into their hands and onto their vehicles?



PROPOSED

- Use existing business models, processes and distribution channels to distribute toll tags or transponders through retail merchants.
- Alternative distribution models
 - Gift cards
 - Mobile handsets



GIFT CARD MODEL – ATLANTA PEACH PASS



THE BENEFITS

Why we should consider Retail Distribution of our Toll Tags

- Customer convenience
- Instant gratification “Grab & Go”
- Marketing and Advertising opportunities
- Access to a wider audience of consumers
- Broad network of distribution points



TOLLING STARTER KIT



1. Designed to provide the customer with everything he needs to establish an anonymous account with the toll agency.
2. Kit includes a 6C Transponder, a Re-load card, mounting instructions, and program T's & C's.
3. Customer picks the package off the J Hook and brings to retail check out, pays the cashier the convenience fee plus desired load value (\$20.00 to \$500.00).
4. Cashier swipes or scans the package which activates both the transponder and the enclosed card that has been pre-associated to the transponder.
5. InComm relays the activation and the value loaded to SRTA in real time. The transponder account is loaded with funds and the customer can affix the transponder to his windshield for immediate use.
6. Reload card may be brought back into the retailer to load additional funds to the customer account as needed.
7. If the customer chooses to register the account, he will receive additional benefits.

POSITIVE REVIEWS

“Since the June 2014 launch, about 48% of all Peach Pass accounts opened monthly are Pay-n-GO! Peach Pass accounts.” – as of February 28, 2015

Malika Reed Wilkins, PhD

*Director of Marketing and Communications
State Road and Tollway Authority*



GIFT CARD BUSINESS MODEL

- Issuer (agency) bears costs of production, packaging and inventory
- Program manager is responsible for packaging design, production, warehousing, placement and distribution to retailer, J-hook displays, POS integration and transaction processing
- Program manager and retailer are not paid until sale
- Commissions typically covered by convenience fees paid for by the consumers.



HANDSET DISTRIBUTION BUSINESS MODEL



- Issuer (agency) bears costs of production, packaging, distribution and inventory until delivery to retailer
- Distribution manager responsible for packaging design, production, warehousing, distribution to retailer, and management of returns
- Retailer purchases inventory and adds markup
- Markup considerably higher than for gift card model due to retailer assumption of risk (30-40%)
- Markup may be attenuated if there are follow-up reload commissions

TRANSPONDER DISTRIBUTION CONCEPT



Vehicle Transponder used in
91 Express Lanes

1. Designed to provide the customer with everything he needs to establish an initial anonymous account.
2. Package includes a Transponder, a Re-load card, mounting instructions, and program T's & C's.
3. Customer picks up package from display and brings to retail check out, pays the cashier the marked purchase price that includes the transponder and an initial nominal account load.
4. Cashier scans the package which activates both the transponder account and the enclosed card that has been pre-associated to the transponder.
5. An activation code may be printed on the customer's receipt that he must use to activate the transponder.
6. The program manager relays the activation and the value loaded to the toll agency in real time. The transponder account is loaded with funds and the customer can affix the transponder to his windshield for immediate use.
7. Reload card may be brought back into the retailer to load additional funds to the customer account as needed.
8. If the customer chooses to register the account, they will receive additional benefits.

Brightstar End-to-End Logistics for Retailers



WHO MIGHT PARTNER FOR TRANSPONDER DISTRIBUTION?

- Toll agencies?
- Customer Service Providers?
- Regional clearinghouses?
- Transponder suppliers?



WE WOULD LIKE TO TALK ABOUT PARTNERING

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