

Verifone Inc.
1400 Broadway
New York, NY 10018
(212) 364-5555

October 12th, 2022

Luke Arnold, Owner,
Wordsworth Stationary & Gifts
630 Old Country Rd,
Garden City, NY 11530

Dear Mr. Arnold,

In response to your inquiry about the new Verifone 4000 series, we are writing to propose proceeding with the upgrade of your store's point-of-sale systems. As a previous client, we thank you for using our products to conduct your business. Our Verifone POS systems are trusted by well-known retail brands and merchants worldwide. We take pride in looking over all our clients, no matter how large or small their business is. However, we acknowledge that the more foot traffic a business receives, the more problems can appear at checkout. Problems tend to arise with the older models that no longer receive updates, such as slower payment processing or crashing. There is an additional problem concerning the rise of theft since scammers can illegally fit a card skimmer over our devices. It often comes in the form of a faceplate that looks indistinguishable from the front of the POS system and can be placed without detection. While these problems are manageable, we want to eliminate any concerns that may arise by upgrading to the newer 4000 series.

Current Situation

As a specialty store, Wordsworth Stationary & Gifts offers customers unique décor and office essentials to create a personalized space for themselves. Currently, your business' registers use the older 2000 series models to process a customer's purchases. Upon opening, your store had only two registers with our POS systems installed. Over the next few years, that became insufficient as the foot traffic quickly increased due to the popularity of the shopping area where you are located. It prompted you to install two more registers to handle the times you receive a high volume of customers. Based on incident reports from a more extensive retail clientele, issues with the older models were brought to our attention. The report details high-volume crashes and problems with illegal card skimmers. While there are methods to handle these issues successfully, it interrupts the business flow. The interruption could have a negative effect on customers' perception of the business. Since your business uses the same model, we

also wish to extend an offer to upgrade the systems for your store to ensure that you do not have this problem in the future.

According to incident reports, stores have experienced system crashes with the older POS systems during business hours. Since the devices are models from an older series, the company does not perform any new updates, only maintenance. Older systems are slower in comparison to newer ones. While this may not be a problem for a smaller business, periods of a noticeable slowdown in the POS machine can lead to a crash of its system. The crash of the POS system can freeze the entire register to the point that the cashier cannot input any commands to the system. While it is contained to the register that experiences this, it can be disruptive to the business. Rebooting the register solves the issue, but that also takes time for the register to restart. Customers patiently waiting to complete their purchase would have to switch lines to do so, which can affect their satisfaction. It can also create anxiety of wondering if the business is making them pay twice since the first register crashed. Even though the payment is not processed when the machine crashes, the anxiety generated by the customer can cause a negative experience in the business.

When a customer enters a business, they want to ensure that their information remains safe while purchasing something. A negative experience at the register regarding the POS system can strip that away from them. Unfortunately, the increase in card theft and scam can create a problem for both the customer and the business. Scams can range from an email from your bank asking for information to a suspicious web address leading to a popular online retailer where you would likely put in card information to purchase something. These are just a few ways scammers are often trying to steal personal information online. Stealing personal information can happen in the real world as well. A method often used to steal card information is card skimmers, which can read and retain your information for the scammer to use later. Card skimmers can appear anywhere a card can be used, from a gas pump to a grocery store register.

Unfortunately, Verifone machines have also been the target of card skimmers. A card skimmer plate has been created, which can easily fit over the older POS systems. Since it looks identical, detection is not often spotted right away. However, routine checks of the POS systems by pressing all the buttons make it a manageable problem since a card skimmer plate will usually make the buttons of the device very stiff and hard to press. However, this method of checking does not stop it from happening altogether. Previously, A local Whole Foods in a popular shopping area found a card skimmer on one of its registers. Even though management discreetly removed the plate upon discovery, the register had to be shut down for some time while the store called the authorities to look over security footage and monitor the information stolen on the card skimmer for any further activity. A close watch was also kept for any suspicious transactions in the store and customers' complaints about stolen card information. While there was no further incident, it was extremely disruptive to the large retailer. While this

can be monitored and avoided, we want to avoid this occurrence from happening altogether with your business.

Project Plan

Purchasing the new 4000 series point-of-sale devices is the best course of action to avoid these problems from occurring in the future. If your business decides to buy the newer models, we suggest a multi-day installation plan to reduce service interruption during business hours. After the purchase of the new systems, allow at least two weeks for them to be delivered by one of our contracted maintenance vendors for your region. Upon delivery, the Vendor can inspect the setup of the device and the registers to ensure the installation goes smoothly.

Since your business has four registers, we would install two of the newer devices each day so that the other two are always available for the business as needed. We would also suggest performing the installation closer to closing time so that the installation does not interfere with peak business hours. Performing the installation later in the day will also allow the Vendor to program the devices for the register and test them properly. The devices do not take long to install and will be ready for use by the business on the following day.

In addition to installing the new devices, our company will provide security stickers for each of them. The stickers will serve as a clear visual cue of any potential tampering by scammers. It can either be placed at the top of the device or underneath the card strip reader. Stop using the register immediately if the stickers are missing or sustain unnatural damage. The updated vendor information will be provided upon installation and can be used as a resource for all updates and issues.

Qualifications

As a multinational corporation, Verifone has spent over 40 years in commerce helping popular and small businesses safely secure customer payments. Verifone endeavors to deliver excellent and reliable customer service to meet client needs as they strive to grow their business. As a Regional Operations Representative, I bring five years of experience to the field. I help maintain oversight of all VeriFone devices used by businesses in the region. As a part of my responsibility, I also assist and manage all incident reports that involve Verifone devices. To meet customer needs, I reach out to clients like Wordsworth Stationary & Gifts to see how we can improve your overall experience while using our devices. I oversee the dispatch of our highly trained maintenance vendors to help the clients on location. All maintenance vendors possess a minimum of three years of experience with installation and are there to make the transition to newer devices as smooth as possible.

Cost And Benefits

Upgrading to newer POS devices does not come without cost. The total project completion cost will include the latest devices' price. It will also have a service fee for labor completed from installing and programming the new devices by the Vendor. Shipping and delivery are free and will not be included. Currently, there are four registers at Wordsworth Stationary & Gifts. The following table will show the cost of installing each register with the new POS devices.

Verifone Mx 4000 series POS system	\$650
Service Fee	+\$100
Total (One register)	\$750
Registers at Wordsworth	×4
Total (All Registers)	\$3000

After installing the new devices, the customers will experience a new sleek design that is smaller and faster than the older systems. The body of the model is less bulky compared to older designs. The Card skimmer plate cannot fit over them without being noticed or tempering with the security stickers. The faster model also greatly reduces the chance of a system crash that can freeze the entire register. As a result, it allows for a smooth service flow when handling high volumes of customers at peak business hours. The improvement will ultimately improve the customer experience while allowing Wordsworth Stationary & Gifts to conduct business with fewer worries in mind.

Conclusion

In conclusion, it would be beneficial for Wordsworth Stationary & Gifts to upgrade the POS devices in the long run. With the newer devices, the staff will be able to handle many customers during your busy hours faster and without the worry of the device slowing down and crashing. No matter your decision, I hope you can continue to trust Verifone to meet all your business needs. I appreciate your interest in our products. If you have any questions, don't hesitate to contact me at kayla.humphrey@verifone.com.

Sincerely,

Kayla Humphrey
Regional Operations Representative