

# In the Loop



## Shared Branching Network Update

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Shared Branching is taking the credit union industry by storm. As credit unions realize the important member benefit of Shared Branching, the program's popularity among credit unions and their members continues to soar. Meanwhile, usage among credit union members also continues to reach record levels.

#### Ohio's rank nationally

Of the 22 states in the Shared Branching program administered by CUSC (Credit Union Service corporation), Ohio ranks 14th in transaction volume with more than 92,000 transactions monthly.

Ohio has among the largest number of credit unions participating in Shared Branching in the nation, with more than 70 locations currently. Ohio credit unions, however, rank among the lowest in number of Shared Branching transactions, with only 2.38 percent of total national transactions.

Contrast this with our neighbor to the west, Indiana, which in July had 57 Shared Branching locations and performed over half a million Shared Branching transactions. Indiana's transaction volume accounts for almost 15 percent of the nation's Shared Branching transactions. Meanwhile, the nation's second largest transaction volume state is Virginia. With only eight Shared Branching locations, Virginia credit unions generated slightly under half a million transactions in July.

Texas, like Ohio, has an impressive num-

ber of Shared Branching locations -- 83 as of July. But Texas ranks only fifth in national transaction volume with slightly more than a quarter million transactions monthly.

#### Transaction volume in Ohio

The range of transaction volume among Ohio's Shared Branching locations varies greatly. Some credit unions perform about 10,000 Shared Branching transactions monthly, and some perform fewer than 100.

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#### National Shared Branching Transaction Volume Rankings

Rank	State	# of Locations	# of Transactions	% of Total Transactions
1	Indiana	57	565,072	14.51%
2	Virginia	8	469,087	12.04%
3	Colorado	71	422,439	10.85%
4	Georgia	21	331,671	8.52%
5	Texas	83	285,304	7.33%
6	Oklahoma	18	281,940	7.24%
7	Alabama	35	247,192	6.35%
8	Louisiana	33	233,001	5.98%
9	Utah	8	187,991	4.83%
10	New York	16	144,651	3.71%
11	North Carolina	20	143,742	3.69%
12	Wisconsin	15	137,487	3.53%
13	Florida	35	116,626	2.99%
<b>14</b>	<b>Ohio</b>	<b>58</b>	<b>92,882</b>	<b>2.38%</b>
15	Kentucky	2	92,429	2.37%
16	Minnesota	11	81,611	2.10%
17	Tennessee	20	28,222	0.72%
18	Pennsylvania	15	24,357	0.63%
19	New Jersey	5	4,432	0.11%
20	Maine	6	2,051	0.05%
21	Mississippi	5	1,715	0.04%
22	Connecticut	1	650	0.02%

Acquiring locations data collected by CUSC, as of July 2004

COMMONWEALTH  
CREDIT UNION



Monthly transaction volume	# of OH CUs	Combined Trans. Vol.	% of OH Trans. Vol.
5,000 trans. and above	5	47,032	50.64%
1,000 - 4,999 trans.	16	35,892	38.64%
500 - 999 trans.	6	3,827	4.12%
100 - 499 trans.	20	5,510	5.93%
under 100 trans.	11	621	< 1%

### The role of marketing

Ohio has huge potential for growth in transaction volume. Imagine if most acquiring Shared Branching locations in Ohio each performed 5,000 transactions a month. That would equate to an increase of more than 350 percent in Ohio's volume.

The secret to stimulating explosive growth in Ohio is simple: repeat marketing. Ohio's situation is simply a lack of awareness among members of the Shared Branching Network. It's a problem that is easily conquered.

To increase awareness, credit unions must continue to remind members about the convenient access that Shared Branching offers.

Also, remind your staff. Ensure that all staff members who have contact with members are aware of the Shared Branching network.

Visit the League's Shared Branching Web site for multiple resources that credit unions can use to inform their members about Shared Branching. The Web site includes pre-made and customizable statement inserts, postcards, posters, newsletter articles and ads, and newspaper ads.



One of the pre-made marketing material themes available.

The site also includes a downloadable directory of the nation's Shared Branching locations. It's a perfect tool for call centers.

Visit the site at [www.OhioCreditUnions.org/SharedBranching.htm](http://www.OhioCreditUnions.org/SharedBranching.htm)

# Credit Unions' Marketing Secrets to Shared Branching Success

Credit Union of Ohio and Western Credit Union are among top Ohio Shared Branching credit unions in transaction volume. Kim Hudson, Credit Union of Ohio's VP of Marketing, and Kellie Digel, Marketing Manager of Western Credit Union, shared their Shared Branching marketing secrets.

How often do you remind or inform your membership about the availability of Shared Branching? What marketing vehicles do you use?

**Hudson:** Three of the last five issues of Credit Union of Ohio's quarterly financial magazine included an article about Shared Branching. We also send targeted mailings to members within specific areas, and talk about Shared Branching at site visits. Also, our Web site includes Shared Branching information and locations.

**Digel:** Western Credit Union uses every opportunity possible to promote, or at least mention, Shared Branching in a variety of marketing pieces, including brochures, statement inserts, ads, direct mail, etc. Even pieces not specifically promoting Shared Branching often include a mention of Shared Branching. We also have a map of central Ohio locations that we distribute to members at SEG visits, trade shows, and in mailings.

What is the most effective means of communicating the capabilities of Shared Branching?

**Digel:** It is vital to have employees talk about Shared Branching all the time. Shared branching is discussed with every new account that is opened so that members are aware of it. It is important to us that members and/or potential members understand Shared Branching since it offers such a convenience to them.



**Hudson:** I agree. I think it's the staff that helps educate the membership the most. To help save them a little bit of time, our staff will identify a Shared Branching location for them, and the members really appreciate the effort. We even have one staff person in a low-member-contact area who keeps a running list of members who have told her that they are looking for a closer service outlet. She notifies the member personally as soon as a Shared Branch opens.

Word of mouth through the membership is important too. Once a member uses a Shared Branching location, they tend to tell others. At site visits outside Columbus, when we show a member where a closer branch is for them, they literally light up. They're so appreciative that we've showed them how to make doing business with us a little easier. They usually share with other staff in that office location.

The postcards can also be very productive. The key to communicating to members is to have a clear plan, consistent message, and staff support.

Both Kim and Kellie attributed their credit unions' high transaction volume to constant member awareness of Shared Branching.

# The Next Generation Network Switch

The Next Generation Network (NGN) Switch is a new state-of-the-art, credit union proprietary switch created by the Credit Union Service Corporation (CUSC). The NGN system will not only be easy and safe for credit unions to use, it will also save them money.

Credit unions participating in Shared Branching can save approximately \$800 per month on switch fees by converting to the NGN Switch. In addition, the NGN Switch is fraud resistant, cost effective, exceptionally functional, and credit union-designed.

Unlike other Shared Branching networks or switches, the NGN Switch allows Shared Branching participants to avoid fraudulent transactions by sharing account holder information. With the NGN Switch, the following information can be included for each transaction: member birth dates and Social Security numbers, date the account opened, and MICR information on deposited checks.

The NGN Switch will provide several key features not previously available through other switch providers: 30-days of activity for member statement prints, 100 character message fields, automated fee billing and collection, improved ISO files that include additional contact information, and automated on-line ad-



justments processing.

The new and more efficient technologies of the NGN Switch greatly benefit credit unions and data processors. The advanced technologies allow for: faster response times, cost effective connections, the ability to accept many standard formats (NGN ISO, ISO 8583, XML, and VPN), reports distribution via e-mail, and annual updates.

The NGN Switch was specifically designed for credit unions participating in Shared Branching EFT transactions. Its technology is state-of-the-art and gives credit unions easy access to their members worldwide. To accommodate credit unions, the NGN has cost-effective certification processes, network-controlled pricing, easy adaptability, and flexible architecture to allow for customization to your credit union's needs.

CUSC predicts the costs associated with other switches (E-funds & EDS) will increase in 2005, and encourages credit unions to convert to the cost effective NGN Switch by Jan. 1, 2005.

There are four key reasons for converting to the NGN Switch.

1. E-funds mandated a migration to ISO 8583 by December 31, 2003.
2. The NGN's flexibility allows for adaptation to evolving EFT devices and technologies.
3. The NGN was designed to allow cost effective growth.
4. The NGN allows for greater defense against fraudulent activities.
5. The NGN is credit union owned and influenced.

Also, implementing the new switch is easy.

At the September 2004 CUSC Shared Branching Forum, Craig Beach, Vice President of Marketing/Business Development at CUSC, said that credit unions

which have made the conversion consistently comment that the process was "a piece of cake."

If your data processor is not planning to certify to the new switch, Laura Pizzarelli, VP of Operations of CUSC, suggests informing them of your credit union's desire to use the NGN Switch. Pizzarelli said that data processors will listen to a credit union about their needs and desire far more than they will listen to attempts by CUSC to encourage them to certify.

The Next Generation Switch is now available for credit unions to certify to and begin saving approximately \$800 on monthly switch fees.

Any credit union interested in converting to the Next Generation Switch can contact Marty Auxter of OCUL Services Corp. for more information. Marty can be reached at (614) 336-2894, ext. 204, or [mauxter@ohiocul.org](mailto:mauxter@ohiocul.org).

## Data Processors

Currently Certified or Working to Certify

Bradford Scott  
CGI  
CMCFlex  
CUDP  
CUSA Tech Legacy  
EPL  
FiServ Galaxy  
FITech  
Gunther  
Harland/Ultradata  
ICSI  
Jack Henry Service Bureau/Symitar  
NILCO  
OSI  
RC Olmstead  
Remember Data Services  
Sandia Labs FCU  
Share One  
SO-Systems  
Summitt  
Symitar  
Users

# Shared Branching Credit Union News

## Shared Branching Support Contacts:

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(614) 336-2894, ext. 204  
mauxter@ohiocul.org

Stuart Koblentz  
(614) 336-2894, ext. 203  
skoblentz@ohiocul.org

CUSC Help Desk:  
helpdesk@creditunion.net

Change in Information  
Changes in your organization's information? Be sure to e-mail all changes to Credit Union Service Corporation so the Web site accurately reflects your credit union's information.

E-mail any changes to  
chris@creditunion.net

## National Shared Branching Network Reaches 1,500 Nationwide Locations

The national Shared Branching Network has broken another milestone by reaching 1,500 locations. In 2004, the Shared Branching network has added nearly 150 new locations. By the end of 2004, Ohio will have 31 acquiring credit unions which will total 93 Ohio Shared Branching locations. Additionally, there are six Ohio credit unions that participate in the network that are issuer-only.

## Six Credit Unions Join Shared Branching Network

CES Credit Union, First Service Federal Credit Union, Fremont Federal Credit Union, Marion Community Credit Union, TeleCommunity Credit Union, and Tiffin St. Joseph Federal Credit Union are the latest additions to Ohio's Shared Branching network.

The addition of CES Credit Union, headquartered in Mount Vernon, brings three new Shared Branching locations to the network -- the main office and branch location in Mt. Vernon, and a newly-opened branch in Delaware.

Fremont FCU's participation in Shared Branching will add three valuable locations in northern Ohio.

With First Service FCU, headquartered in Groveport, entering Shared Branching, the network gains three new locations in Central Ohio. First Service FCU has branches in Groveport, Hilliard, and Reynoldsburg.

Marion Community CU adds two branches to the Shared Branching network. Marion Community CU's locations on Barks Rd. and Kenton Ave. are both in Marion.

The addition of TeleCommunity Credit Union to the network adds an additional location in the Akron area.

Tiffin St. Joseph Federal Credit Union, headquartered in Tiffin, will add two Shared Branching locations in the north central Ohio.

These credit unions are just beginning the certification process. Watch for them to be live and ready to conduct Shared Branching transactions in the coming months.

We welcome CES Credit Union, Fremont Federal Credit Union, Marion Community Credit Union, TeleCommunity Credit Union, and Tiffin St. Joseph Federal Credit Union to the Shared Branching network. Their combined 13 locations will bring Ohio's total Shared Branching locations to 85.

## New Horizon Credit Union relocates Columbus branch

The New Horizon Credit Union branch previously located at 141 S. High St. in Columbus has moved to 2677 S. Hamilton Rd. in Columbus. The new location's phone number is (614) 860-1515 and its hours of operation remain the same, Monday through Friday from 9:00 am to 4:00 pm. The new location is only nine miles from the former location.

## BMI Federal Credit Union's Southside Shared Branching Location has Moved

BMI Federal Credit Union's Southside Shared Branching location has moved to 3865 S. High Street in the Great Southern Shopping Center. The new location is especially convenient for members of Shared Branching credit unions who live or work in the 43206 and 43207 ZIP codes.

The new location also has a 24-hour, walk-up ATM. The ATM is part of the Alliance One network.

## Springfield Area Shared Branching Location closed

The Springfield Credit Union recently merged with International Harvester Employee Credit Union. The Springfield CU location at 145 W. High St. in Springfield will become an International Harvester ECU location and continue to perform Shared Branching transactions.

International Harvester ECU at 5000 Urbana Road is also available for members to conduct Shared Branching transactions.

## Share Your Shared Branching News

Let us know your credit union's Shared Branching news. Send any information to Katie Walton at [kwalton@ohiocul.org](mailto:kwalton@ohiocul.org).