

Faster Payments

Tracker™

MiLB's Jacksonville Jumbo Shrimp

Hit A Payroll Homerun



In Minor League Baseball, you can have anywhere from 100 to — for us — 380 people attempting to pick up their checks within a two- to three-hour window while we're trying to prepare for a game or event that evening.



Harold Crow, general manager for the Jacksonville Jumbo Shrimp



MiLB's Jacksonville **Jumbo Shrimp** on real-time employee payments



Hong Kong Monetary Authority launches Faster Payment System

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WHAT'S INSIDE

AS NEW FASTER PAYMENTS SCHEMES EMERGE, FINANCIAL INSTITUTIONS (FIs) DEBATE WHETHER TO LINK DIRECTLY TO THESE SYSTEMS, OR GET ACCESS THROUGH A THIRD PARTY. FORTUNATELY, THEY DON'T HAVE TO MAKE THESE DECISIONS ALONE.

One source of support comes from a project organized by NACHA — The Electronic Payments Association. The project, known as the [Faster Payments Playbook Initiative](#), creates playbooks that guide banks, credit unions, businesses and nonprofits on how to make decisions around an array of faster payments solutions. The Initiative is also creating guides related to cybersecurity, ACH payments and ISO 20022.

For FIs uncertain about real-time payments and what their impact will be, a new [report](#) from Deutsche Bank lays out the argument that corporate treasurers should seriously consider the potential of faster transactions and access to data. This can bring a real-time pace to areas such as financial exchange exposure management and liquidity management.

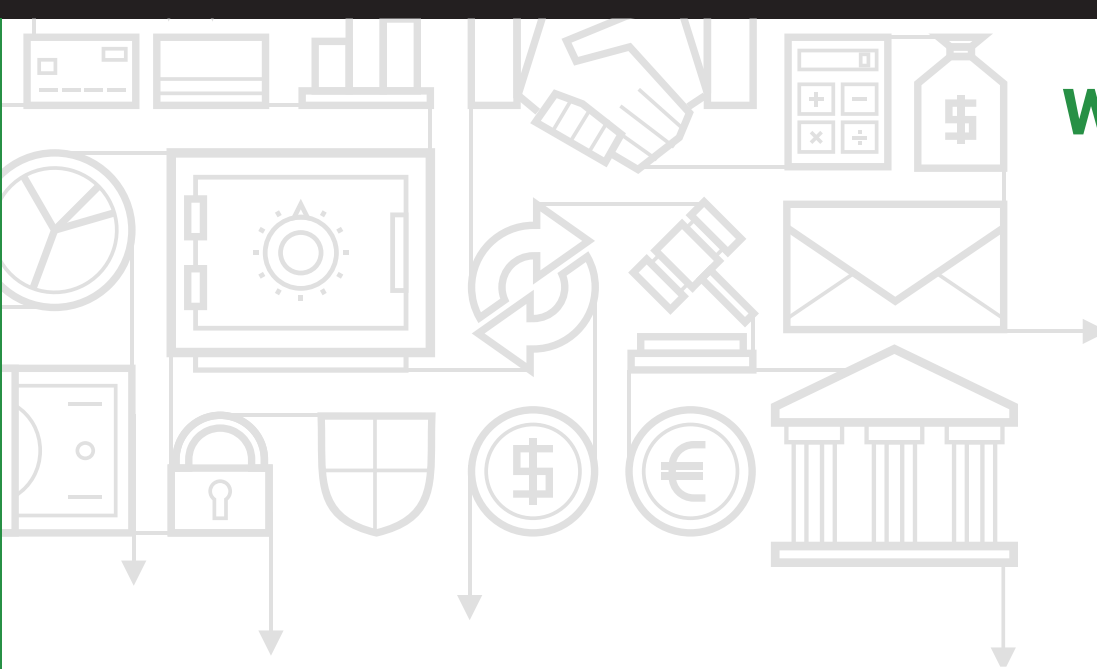
WePay's co-founder, Rich Aberman, in a recent interview with PYMNTS, [asserted](#) that it's inevitable that small merchants will start clamoring for real-time payments to improve their cash flow — a particular need for SMBs that are just getting established.



Around the faster payments world

While some businesses contemplate how to react to — and take advantage of — a faster-moving payments world, large companies are marching onward, especially in the Asia-Pacific region. Remittances provider TransferGo, for one, [announced](#) it would use Ripple's blockchain technology to support real-time remittance transfers between its European operations and banking partners in India.

FIs will also get access to faster cross-border transfers under a new initiative from SWIFT. This effort,



in its first trial phase, will [link](#) the SWIFT global payments innovation (gpi) with Australia's New Payments Platform (NPP) to support near-instant fund transfers. Later stages will integrate the SWIFT gpi with Asia-Pacific countries' faster payments schemes.

One of those Asia-Pacific schemes might be the Faster Payments System (FPS), which was [launched](#) by the Hong Kong Monetary Authority (HKMA) last month. The FPS supports free real-time payments between banks and payment platforms such as Alipay and WeChat Pay and is available for both consumer and business use.

Jacksonville Jumbo Shrimp hits payments out of the park

Jacksonville, Florida's Minor League Baseball team, the [Jumbo Shrimp](#), has taken up a new way of paying its employees. The club has abandoned paper checks and now offers instant payment issued directly to employees via payroll cards. In this month's feature story, Jumbo Shrimp general manager Harold Crow explains how the new payment method brings convenience to both employees and the club's accounting department, and why it may lead to improved employee retention.



FIVE FAST FACTS

What's Inside

\$255B

Expected value of faster payments in the U.S. by the end of 2018

87%

Share of executives who expect real-time payments to improve liquidity planning, forecasting and cash investment efforts

\$128,000

Hong Kong's Faster Payments System daily transaction limit

5

Seconds it will take for Hungary's faster payments system to settle single credit transfers of up to \$36,374

60

Total members in the Faster Payments Playbook Initiative



MiLB's Jacksonville Jumbo Shrimp Hit A Payroll Homerun

During the 2018 Minor League Baseball season, the [Jacksonville Jumbo Shrimp](#) drew an average of [5,000](#) fans to each of its games, and serving that crowd meant rallying Bragan Field at the Baseball Grounds' army of ticket takers, ushers, concessions staff, merchandise vendors and more. Until recently, compensating those part-time employees meant handing out paper checks twice a month. What's more, some paydays fell on game days, so staff would be tied up collecting checks just as they were supposed to be readying for the arrival of thousands of fans.

"In Minor League Baseball," Jacksonville Jumbo Shrimp's general manager, Harold Craw, explained, "you can have anywhere from 100 to — for us — 380 people attempting to pick up their checks within a two- to three-hour window while we're trying to prepare for a game or event that evening."

That all changed in 2017 when the Jumbo Shrimp introduced the option of payroll cards, provided by FIS — a solution also offered to other U.S. and Canadian MiLB clubs. The fact that the solution reduced human traffic to the Jumbo Shrimp's front office during pre-game time — thus enabling everyone to be more productive — was a happy side effect.

Employee-focused solution

The baseball club's main goal regarding the payroll cards, Craw said, was to enable real-time employee payments — employees instantly receive payment for days worked.

Of course, these cards weren't the only option at the club's disposal when it sought to upgrade from paper checks. But, the solution was particularly compelling for Jumbo Shrimp's employees, who are, on average, 30- to 45-year-olds that tend not to have checking accounts — making direct deposit a no-go.

As this is only the second year the club has offered the cards, there's not much conclusive data on their impact, but Craw expects them to boost employee job satisfaction, and therefore retention. The cards are, however, enabling the club to compete against other local employers for new hires.

"I think it's helped us tremendously," he said. "[It] is one of the benefits we discuss [at job fairs] in the process of talking about why [a person] should come work here."

About 50 percent of the club's food and beverage staff return each season, as do about 80 percent of its game day staff, including ushers, ticket-takers and similar positions. The payroll card's voluntary enrollment among new and returning employees increased this year, with approximately 150 of the club's 383 employees now using the solution.

Prior to the payroll cards, employees had to find transportation and a check casher before they were able to use their earnings. Craw said employees tell him the solution, in freeing them from that burdensome routine, has given them better quality of life.

"In the past, you've always had a situation of, 'Because I don't have a checking account, I have to go to a place where I can cash a check and figure out my transportation,'" Craw said. "[Now, employees] have [the] freedom of knowing, 'I have this in my pocket and don't have to go get a check cashed. I can use this [right away] to pay this bill.'"

I THINK IT'S
HELPED US
TREMENDOUSLY.

Smoother processes

It's not just the employees who have found themselves with more free time. As the payments process has sped up, the company has been able to reduce the time it spends on payroll. In the past,



handling account reconciliations for payroll and other purposes could be a four-day process each month. With the cards, that dropped to two days.

"It's made us more efficient on both sides," Craw said.

Craw implemented the cards after a chance meeting with an FIS employee that led to a discussion of the solution. The relative youth of the Jacksonville Jumbo Shrimp made it easier to test a new payroll system, as they were not overturning deeply entrenched practices.

"We're young in our growth as an organization in Jacksonville," he said, a reference to how a new owner purchased the team (then called the Suns) in 2015. "So, if something doesn't pan out ... it's not like we're trying to reinvent the wheel or change something we've done for 15 years to try this new opportunity, and then have to change back."

There has been one major roadblock on the path to greater adoption — raising employee awareness. The club talks about the solution during orientation and training, as well as at job fairs and during seasonal meetings, but an ongoing effort remains necessary in order to reach everyone and ensure word gets out.

As more Jacksonville Jumbo Shrimp employees learn of and adopt the solution, payroll — and the Baseball Grounds' game day prep — could become faster than ever.



UNDER THE HOOD



How have you seen faster payroll helping employees?

"From the feedback I've gotten, it's an opportunity for the employees who have it in their hand to feel free to be able to go anywhere and use the card ... There's a comfort in being able to take it anywhere, where in the past [they've] always had a situation of, 'Because I don't have a checking account, I have to go to a place where I can cash a check and [have to] figure out my transportation to get from the house to that location and get from that location back to the house or work or wherever else I need to go or be next' ... I think this gives them a better quality of life in having the freedom of knowing, 'I have this in my pocket and don't have to go get a check cashed. I can use this to get cash [right away] to pay this bill or pay for that.'"

**Harold Craw, general manager for the
Jacksonville Jumbo Shrimp**

News & Trends

READY FOR LAUNCH

GIRO, Nets prep Hungary instant payments

Hungary's forthcoming faster payments scheme now has a launch date. According to a recent [press release](#) from Nets, a European digital payments service provider, the system will go live on July 1, 2019. Reports claim the instant clearing software has performed well in initial testing. The service is expected to support settlement of all single credit transfers, including transfers of up to HUF 10 million (about US\$36,374), within five seconds. Like several other instant payment services, the system will enable funds to be transferred to a payee identified by their mobile phone number, rather than bank account, and the service will be available 24/7/365.

GIRO, a financial player that provides services to Hungarian FIs and operates a domestic automated clearing house, is collaborating with Nets on the service. GIRO configured the system's hardware and infrastructure in order to install and operate the software that Nets provided.

HKMA launches real-time scheme

Hong Kong's long-awaited instant payments scheme has arrived. HKMA's Faster Payments System (FPS) [debuted](#) on Sept. 30 and allows both businesses and consumers to make fee-free, real-time payments. Previously, interbank [transfers](#) could take up

to three days and could cost up to HK\$200 (about US\$25.50). As with Hungary's scheme, the FPS allows users to transfer money to payees identified by mobile phone number or email.

Standard Chartered Bank, DBS Hong Kong, Citibank and Bank of China Hong Kong, along with 15 others, joined the FPS prior to its launch. A number of consumer payment platforms, such as WeChat Pay and Alipay, have also joined.

STRATEGIZING FOR FASTER PAYMENTS

Payments Innovation Alliance gains NEACH, debuts Faster Payments Playbook

New systems bring new questions, and in the U.S., financial players are working to help businesses, FIs and other entities answer the question of how to best engage with all manners of faster payments. The New England Automated Clearing House (NEACH), a nonprofit trade association, recently signed on to help that effort by [joining](#) the Payments Innovation Alliance, a group organized by NACHA — The Electronic Payments Association.

NEACH joined the Alliance roughly one month after the Alliance [launched](#) the Faster Payments Playbook Initiative, which creates resources that provide FIs and businesses with a better understanding of

faster payments solutions and their features and capabilities. The playbook helps organizations strategize and make decisions on how to serve their business and customer needs.

Alliance subgroups are creating separate playbooks for banks and credit unions, businesses, governments and nonprofits, according to a press release. Additional projects include a SMB-focused guide to ACH, an FI- and business-focused guide to ISO 20022 and a resource kit to help organizations understand new cybersecurity threats.

Deutsche Bank releases report on treasurer faster payments

NACHA is far from the only entity trying to shine light on faster payments decisions. A new [report](#) from Deutsche Bank states that corporate treasurers need to ready themselves for real-time payments as faster schemes proliferate globally. The report suggests that treasurers gain advantages from the up-to-the-minute data provided by real-time systems, especially when that data is paired with automation.

According to the report, two-thirds of organizations are interested in 24/7, automated currency conversion solutions based on real-time foreign exchange (FX) rates. That sort of capability could support faster cross-currency payments, hedging, FX exposure management and responses to FX volatility.

Real-time access to transaction data could impact organizations by shifting them toward real-time liquidity management. The report cited Euromoney, which claimed that nearly half of executives say liquidity management is the area where automation is most needed.



WePay talks SMB real-time payments

WePay's Rich Aberman says it is "inevitable" that SMBs will demand free real-time access to their revenue from customer card payments. In a recent [conversation](#) with PYMNTS' Karen Webster, Aberman said that small businesses — especially during their first year — are vulnerable to damage from cash flow delays. Merchants will start insisting that the current two- to three-day waiting period for fund availability be sped up to next-day, and, eventually, instant.

Getting there would mean enabling instant card payments. It would also include ensuring that the payment is sent immediately, rather than pushed out in batches in the middle of the night, when merchants aren't awake to take advantage of the payment.

These changes mean risk management is necessary to deal with issues of fund reclaiming, should there be a dispute over an already-settled payment. Outreach is also needed to demonstrate to merchants that instant payments are economical and can even be a cheaper solution to alternatives like merchant cash advances.

CROSS-BORDER COMMUNICATIONS

ACI unveils products leveraging SWIFT gpi

ACI Worldwide, a real-time electronic payment and banking solutions provider, is putting its faster payments focus on cross-border. The company, a long-time partner of SWIFT and a certified SWIFT gpi vendor, recently [announced](#) two new capabilities to help banks use SWIFT gpi.

The first solution, ACI SWIFT gpi Data Service, is for banks that already use the ACI Money Transfer System, while the second, ACI SWIFT gpi Connect, is aimed at banks that have a different payments engine that they do not want to re-engineer. According to ACI, the solutions make gpi data available via APIs, provide a direct connection to SWIFT's central database for gpi transaction monitoring, end-to-end tracking, transaction data storage and more.

Ebury becomes first FinTech to adopt SWIFT gpi

London-based Ebury, which [reportedly](#) became the first FinTech to go live with SWIFT gpi, expects to use the solution to better serve its SMB and NGO customers, according to Mark Hewlett, the FinTech's wholesale banking relationship director. Ebury, a financial services provider focused on supporting international trade for small- and medium-sized organizations, was also the first FinTech to directly participate in the U.K.'s Faster Payments Scheme.

Ebury's adoption of the service is a vote of confidence for SWIFT, as the gpi's uptake is no longer limited to banks and corporates, but now also includes FinTechs. SWIFT is aiming for global gpi adoption, and plans to make SWIFT gpi the standard for cross-border payments by the end of 2020.

TransferGo embraces Ripple for Europe-India remittances

SWIFT didn't receive quite the same reception from TransferGo. The company said in a [press release](#) that SWIFT's two- to three-day transfer speed is too slow. It highlighted its new remittances service, based on unspecified Ripple blockchain technology, which enables real-time sending to India from anywhere in Europe. The service gives TransferGo's European operations real-time communication with its banking partners in India, which was chosen, in part, due to Ripple's penetration in the Indian market.

The company is also leveraging Ripple blockchain for a second, slower service, which will be free. That service will take two to three business days to deliver funds.



KENYA PICKS UP THE PACE

Kenya eyes blockchain for logistics sector

Players in Kenya are also looking to leverage the power of blockchain. An initiative is underway to [launch](#) a cryptocurrency called TMX Global, which will help resolve problems affecting cargo logistics companies that participate in import and export operations. Companies complain of price hikes, property loss and illegal trade.

The blockchain technology will [provide](#) greater visibility, such as the ability to track goods, and support integrating shipment information into a secure platform. The cryptocurrency launched last month, and is aiming for industry-wide adoption by May 2019.

Finserve launches Jenga products in Africa

Finserve, a subsidiary of Kenya-based Equity Group, has [introduced](#) two new products. The first, Jenga Payment Gateway, helps businesses accept a range of digital payments. The gateway also enables businesses to [integrate](#) digital payments into their eCommerce websites and receive those funds in their corporate accounts.

The gateway also [accepts](#) payments from more than 180 currencies and supports a range of payment methods including debit card, credit card, mo-

bile money services and international digital wallets. The gateway is [offered](#) in Kenya, Rwanda, Tanzania, Uganda and South Sudan.

The second product, Jenga API, helps developers integrate FinTech services into their apps and platforms, supporting mobile money services, utility payments, loans and credit facilities. The product provides a platform that businesses can use to handle account management, money transfer, know your customer (KYC) systems and other activities.

AUSTRALIA'S NPP

Australia's Big Four banks join Osko

Australia is pushing forward with a national campaign to [promote](#) Okso. The mobile app overlays the country's NPP faster payments scheme and can complete transactions within a minute between accounts at participating banks and financial institutions. With Osko, payers must provide the recipient's PayID or their Bank-State-Branch (BSB) and account number.

Originally launched in February, Osko has supported more than 25 million transactions. Initially, integration issues held back ANZ and Westpac from participating, but with those issues resolved, the country's Big Four banks are all participating, and Osko will be

available within the online banking channels of more than 60 FIs and support transfers between more than 42 million business and consumer accounts. With the Big Four all on board, the NPP board and BPAY, a bank-backed infrastructure body, are going ahead with the national promotional campaign for Osko.

SWIFT gpi to connect to domestic schemes

Plans are in place to enable money to be sent across Australia's borders and settle in real-time. This is part of a larger effort from SWIFT to develop a cross-border real-time payments service that could integrate with various domestic real-time payments schemes in the Asia-Pacific. Banks from Australia, Thailand, China and Singapore helped SWIFT define a set of rules for this service.

Now, SWIFT is making its first tests by connecting the gpi with the NPP – connection with other schemes will be added later. The initial tests will enable payments sent into Australia to settle almost instantly, even if they are sent after business hours, with the NPP handling domestic payment processing. Previously, payments sent into Australia at the end of the day wouldn't settle until the next day. In a [press release](#), SWIFT said it intends to eventually enable real-time, cross-border payments for all banking customers in the region, adding that this would mean faster P2P remittances and faster SMB trade settlement.



FEEDBACK

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