

The logo is centered within a large dark blue circle. The word "Anystore" is written in a white, elegant script font, while "Gift Card" is in a smaller, white, sans-serif font. Below this, the phrase "THE CONVENIENT SOLUTION" is written in a light blue, all-caps, sans-serif font. The entire central graphic is surrounded by several smaller circles of varying sizes and shades of blue on a white background.

Anystore

Gift Card

THE CONVENIENT
SOLUTION

about us

- Anystore Gift Card is owned and operated by C-Direct Pty Ltd.
- C-Direct Pty Ltd is a sales and distribution company working with organisations like Telstra, Indue, Village, eVent, Hoyts and Greater Union.
- C-Direct is a privately owned family business that has been in operation since 1978.
- We provide an in field sales force and distribution channels for our partners.
- C-Direct has representatives in all states and the head office is in Melbourne
- Additional company information can be found at www.c-direct.com.au

Anystore Gift Card **uses**

Anystore Gift Card are a convenient Gift Solution that are used by our corporate and business clients for:

- Customer Rewards
- Staff Rewards , Years of Service, Recognition Awards
- Prizes
- Customer Acquisitions & Referrals
- Trade Incentives
- Expenses / Allowances
- Cash Back Offers
- Sampling Offers



Anystore Gift Card **current partners**

Anystore Gift Card is currently providing a wide range of corporate and business clients with tailored solutions to meet their gift card needs including the following:

Coca Cola, PWC, Telstra, Hyundai, ACCOR, Bank of Melbourne, St George Bank, Sydney Cricket Ground, Compass Eurest, Credit Union Australia, NRMA, RAA, Peoples Choice Bank, Mecca Brands, St Vincent's Private Hospital, EB Games, City of Ryde and many more.

Anystore Gift Cards are not sold to consumers.

Anystore Gift Card **how do they work**

- Anystore Gift Cards are issued on the Indue Banking Platform in partnership with EFTPOS and Visa via an Open Loop Scheme.
- Our cards can be used at over 960,000 EFTPOS terminals across Australia or anywhere Visa is accepted in Australia, online or across the world.
- Our cards are branded with our clients logo, image, or promotion to meet their needs for their campaigns or uses. Our cards can be customised to provide our clients with a form of “branded cash”. Why promote someone else's brand or message when you can reward and market your message or brand at the same time.



www.anystoregiftcard.com.au
Phone: 1300 785 506 | e-mail: sales@anystoregiftcard.com.au



Anystore Gift Card expiry

All Anystore Gift Cards come with 12 months expiry from the date of dispatch. This expiry date is printed on the front of the card so there is no confusion for the end recipient.

Anystore Gift Cards do not have an activation period and do not need to be activated by the end user. They are loaded and ready to go. We believe this provides a much better end user experience.

In addition to the 12 months expiry we provide an additional 1 month grace period.

On a case by case basis we will also re issue short dated and expired cards for our clients for a fee.

Anystore Gift Card **what we provide**

- A personalised card with values from \$10 - \$2500 on EFTPOS and \$10 to \$1000 for Visa. This includes designing artwork and seeking EFTPOS and Visa approval.
- Customer Service Centre for end recipient calls via a 1300 number printed on the card
- End consumer can access transaction history and card balance via www.anystoregiftcard.com.au
- No transaction fees for the end recipient of the card so they receive the full value of the funds loaded.

Anystore Gift Card **pricing**

In addition to the card value we charge our corporate and business clients a card fee. This covers the cost of the plastic card, encoding, loading, printing the customised design, all transaction fees, balance check facilities, and gift card carrier.

For a branded Anystore Gift Card Solution

Fully personalized EFTPOS front of card \$3.75 (ex GST)

We do not charge the end recipient any transaction fees, load fees, access to activate and check their balance of their card, or call centre fees

Request for Feedback and comments

Responses to Key Focus Questions

1. It is our opinion that the existing NSW definition of “gift card” is suitable to be used in a national context.
2. Gift cards should be treated in different ways and categorised on their basis, use and user. It is our contention that there is a significant difference in a retailer issued closed loop card and an EFTPOS of Visa open loop card.
3. In the corporate and business market there is an increased enquiry level for digital gift cards, however the physical card is still the most popular option. Digital gift cards reduce the value of the “branding” experience we can provide.
4. The Gift Card market is continuing to grow. We have experienced growth of 12% from the 15/16 financial year to the 16/17 financial year.

Request for Feedback and comments

Responses to Key Focus Questions

- 5. To date for the 17/18 financial year we have sold over \$5.5 million of gift cards on the EFTPOS and Visa networks across 25,000 cards.
- 6. N/A to our market
- 7. N/A to our market
- 8. Our cards are issued with a fixed financial value that is printed on the front of the card.
- 9. All of our cards are issued with an expiry date of 12 months from date of load. In addition we offer one month grace period. On a case by case basis we re-issue cards for a fee that are short dated or nearing expiry to our corporate / business clients.

Request for Feedback and comments

Responses to Key Focus Questions

10. The expiry date is necessary to the operation of our scheme. Unlike a closed loop card where by the retailers make a margin on the transaction on redemption of a purchase using a gift card open loop card operators do not. The card issue fee we charge of \$3.75ex gst covers the cost of the actual card, transaction fees, printing, and ancillary costs like call centres, balance check facilities, dispatch of the card. In addition there is a cost to the business to administer the liability of unused funds on the program. To administer this for an indefinite period would be expensive. Additionally the encoding of the magnetic stipe of the cards has a “shelf life” that is issued by card manufacturers like Placard.

11. N/A to our model

12. N/A to our model

Request for Feedback and comments

Responses to Key Focus Questions

- 13. Our statistical analysis of our cards shows consistently over a 4 year period including year to date transactions that cards on average commenced being used after 68.64 days from the funds being loaded. Over the same period the average last use was 103.6 days.
- 14. Breakage rates have remained consistent with an average of 3-5% across both EFTPOS and VISA
- 15. The percentage of unused gift cards averages around 4% and partially redeemed cards at 31% with the balance of unused funds as a percentage of the load at 2.2%.
- 16. As a percentage of load the average unredeemed gift card is 2.6%

Request for Feedback and comments

Responses to Key Focus Questions

Option 1 Status Quo

17. It is our contention that with open loop cards the current 12 month expiry is effective in protecting consumers and balancing the interests of business. With over 960,000 EFTPOS locations and a population of Approx. 25 million people it equates to 1 EFTPOS location for ever 26 people – ensuring that cards are easily accessible to all Australians.

18. Our cards can continue to be used in the 1 month grace period. After that period due to the encoding in the magnetic striped the cards can no longer be used.

19. Under the NSW laws we have exemptions on the basis that we are issuing cards backed by a financial institution, cards are not sold to consumers and are used for marketing purposes.

20. N/A to our model

Request for Feedback and comments

Responses to Key Focus Questions

Option 2 – Prohibition on Expiry Dates

21. We currently do not offer cards to consumers

22. It would be difficult to quantify what percentage would never be redeemed.

23. If this model was introduced and no exemption was made for the areas of business we operate in – additional fees like transaction fees etc would have to be introduced.

24. If this were to be introduced exemptions would need to be considered for cards issued by financial institutions as the encoding in the magnetic strip has an expiry date, for companies that do not issue cards to consumers, where cards / vouchers are sold at a discount, for open loop cards where the manufacturer or program provider does not make a margin during the redemption / transaction process, where cards are used for marketing or rewards.

Request for Feedback and comments

Responses to Key Focus Questions

Option 2 – Prohibition on Expiry Dates

25. We currently account for the liability through funds being held in accounts by Indue Pty Ltd. Each time we issue a card the funds are transferred to an Indue account.

26. It would be difficult to ascertain the indefinite costs of a no expiry period on our accounting practices. There would also be significant cost in reprinting of stock, collateral, marketing and website costs, re coding of platforms to address the changes.

27. We would need to issue training to all our staff if expiry dates were removed from cards. As a national organisation the costs would be significant.

28. No transitional period would be appropriate as we simply could not continue the business under this model.

29. N/A

Request for Feedback and comments

Responses to Key Focus Questions

Option 2 – Prohibition on Expiry Dates

30. N/A

Option 3 – Three year Minimum Expiry period with mandatory reporting

31. The negative or unintended consequences of mandating a 3 year minimum expiry period would be – additional costs passed, companies would cease to provide the service and as a result companies would be forced to downsize their workforce.

32. If a minimum 3 year expiry were to be introduced the costs to our business would be: cash flow management costs, re printing of card costs, destruction of existing card stock, costs to update collateral, marketing and web site costs, retraining costs for staff.

33. It is difficult to quantify the costs to update our accounting package should the change occur but it would likely be in the vicinity of \$200,000 - \$250,000.

Request for Feedback and comments

Responses to Key Focus Questions

Option 3 – Three year Minimum Expiry period with mandatory reporting

34. Yes IT costs and staff training costs would be incurred should an expiry change to 3 years to occur.

35. Open Loop gift cards and vouchers provided at a discount should be exempt from a minimum 3 year period on the basis that with the number of locations open loop cards are easily redeemable and that the provider of an open loop card is reliant on the breakage of the card rather than the margin made on a retail purchase on a closed loop card. Discount vouchers should also be exempt as the consumer is being offered an up front financial benefit. Additionally cards sold in the B2B space should be exempt as they are part of a business contract or transaction, often for rewards or marketing purposes.

Request for Feedback and comments

Responses to Key Focus Questions

Option 3 – Three year Minimum Expiry period with mandatory reporting

36. If a new minimum 3 year expiry was to be introduced we would definitely need to introduce a post purchase fee.

37. A 3 year transitional period would be appropriate if the card expiry period was changed to a minimum of three years.

38. It is our contention that a 1 year period is a reasonable amount of time to redeem an open loop card, due to the 960,000 EFTPOS outlets available for redemption.