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Subject: Reg I I - Debit card Interchange

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Comments:

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Proposal: Regulation II - Debit Card Interchange Fees and Routing  
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Please do not let the banks prevent a long-needed reprieve for those of us accepting card payments. Retail margins have shrunk enough for various reasons over the past few years. Most people have replaced checks with debit card use at retail stores. Many of our customers now make debit or credit card purchases for as little as \$1.00-5.00 because they no longer carry cash. Convenience has its price, but those of us accepting cards are the ones paying that price. If card users are no longer paying for checks, the banks can replace those fees with card usage fees to cover their costs. MasterCard & Visa say we cannot "discriminate" against their cardholders by charging a fee to cover our costs compared to cash or check sales, or by setting a minimum purchase amount to accept cards. Card acceptance at our retail store has grown from 25% to over 60%, and the fees accompanying those charges have increased even more, depending on the card issuer, type of card, etc. Also, we used to pay fees based on net sales. Now we are charged fees based on gross sales. We pay a fee to accept the card for the purchase, and we have to pay a fee to refund returns, but the banks do not refund us. For example, a customer makes a purchase for \$100, we are charged approximately \$2-3 depending on the card. The purchase is returned, we credit the card \$100, and we have lost the original \$2-3 plus the fee to process the credit. We are tired of paying the price for poor management by the banks over the years, and their charging more and more fees of every kind to try and cover the costs of their mistakes and ridiculous bonuses. It's time that small retailers had someone stand up for them, since we don't have the bargaining power to take on the banks ourselves. Thank you for supporting those of us who accept card payments.