

Feb 22, 2011

Secretary Jennifer Johnson
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Dear Secretary Johnson:

Corson's Glass House is family-owned business that has been around for fifty-seven years. We have three part-time employees and try to do our part to help the community. Consumer confidence is weak right now, and businesses like mine need any boost that can come our way. That is why it troubles me to see credit and debit card fees that make it so much harder for small businesses like mine to succeed.

Our company sells accessories and fine giftware, and we are losing, on average, thirty percent of a total sale ~~X~~ to transaction fees and credit card company rewards. These days, people have more bills than they used to such as cell phones and cable bills. This means that disposable income is at an all-time low, and sales are declining. Adding credit and debit card fees on top of the loss in sales is just destroying our business. There is no way to make up for this loss. We cannot add a margin to a product's sale price because then we can no longer stay competitive. We cannot refuse to accept credit card and debit card sales because these are a large portion of our transactions. This year, we just started offering discounts to customers who pay in cash, and we are hoping that this will catch on. Banks and credit card companies need to take notice of this practice because it will only hurt them in the end.

There has been so much talk of legislation to help small businesses, but when does it take affect? Personally, I have seen nothing done to help us. You need to enact the bill to set a low fee for transaction swipes, and eliminate rewards programs completely. This would help small businesses be successful.

Yours truly,

Kenneth Corson



Kenneth Corson
Corson's Glass House

P.S. Merchants shouldn't be paying for rewards that the customer thinks are being paid by the Credit Card Companies. This is a perfect example of the small merchant being taken advantage of!

