

Private Bank of Buckhead (PBB) client Kelli Adams [TS Adams Studio, Architects Inc.] was recently quoted in the Wall Street Journal's Small Business report, talking about the convenience of remote deposit banking. By partnering with PBB on this service, Kelli stays on task, eliminating daily trips to the bank. Read below to see what Kelli has to say about remote deposit banking. And, to learn more about the service, visit [Remote Deposit](#).

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Monday, July 13, 2009

THE WALL STREET JOURNAL | SMALL BUSINESS

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JULY 13, 2009

USING TECHNOLOGY

Depositing checks over the Internet takes off among small businesses

By LAURA LORBER

The trip to the bank to deposit customer checks is a timeworn ritual for many small-business owners. But for some, it's becoming a thing of the past. They're depositing their checks over the Internet.

TS Adams Studio, Architects Inc. began depositing checks remotely when it switched banks two years ago. Remote deposit "immediately appealed to me because I'm the one that makes all the deposits," says Kelli Adams, the accounting manager at the eight-employee family business in Atlanta. The service came free with the account, she says.

"You can bank virtually anytime you want; you're not tied to the banking hours of nine to five," says Ms. Adams, who used to drive to the bank almost every day to make deposits. "It's a more efficient way to run a business. I don't have to leave the office to do my banking, I can do everything from my desk. That is huge."

All a business needs to make remote deposits is a personal computer, an Internet connection and a scanner. Most systems require a specialized scanner, although newer systems need only a multiuse scanner and for some a camera phone will do. Companies that receive any volume of checks will want a specialized scanner, since processing checks with a typical office scanner will quickly become tedious.

The service isn't usually free, although it might be discounted if it's bundled with a business-banking package. Prices vary widely, depending in part on the number of checks deposited monthly, but many banks charge between \$25 and \$80 a month to accept remote deposits; most also charge for a scanner. In general, though, prices are coming down and are expected to continue to fall as competition among providers heats up.

A 2008 survey of about 300 U.S. businesses with less than \$10 million in annual revenue found that 16% were using remote deposit, according to Aite Group LLC, a Boston financial-

services research and consulting firm. It predicts 25% of businesses of that size will be making remote deposits by the end of this year.

Beyond Deposits

Some banks offer software applications that not only allow companies to make remote deposits but also help them process checks internally. The Epilepsy Foundation, a nonprofit in Landover, Md., with about 70 employees, cut in half the time it spends processing checks when it started using software from TD Bank Financial Group's TD Bank.

The foundation can receive 200 to 300 or more checks per month. It used to take an accounting assistant two full days each week to make copies of the checks and input the details of each check into the foundation's accounting system. Another employee would run the checks to the bank. Now, the checks are deposited over the Internet, and when they are scanned their details are automatically entered into the accounting system. "We're saving a lot of time and a lot of paper," says Diane Rubinstein, the foundation's controller.

The system took only a day to learn, says accounting assistant Nicole Ryan. "I thought it was going to be complicated and time consuming, but it's a lot easier than our method was before."

Jack Murphy, TD Bank's senior director of business banking, says the bank's remote-deposit service also can help users' cash flow, as customers who make remote deposits by 9 p.m. have access to those funds the next day—a feature that isn't offered by all banks.

Staying Protected

Not all small businesses will be eligible for remote deposit. They'll need a healthy credit

history and a good relationship with their financial institution, including no record of regular check bouncing. "Most every bank or credit union has some measure of qualification criteria," says Bob Meara, a senior analyst at research firm Celent.

The risk of hackers breaking into a remote-deposit program is about the same as that associated with any online banking activity, says Michael Kaiser, executive director of the National Cyber Security Alliance, a nonprofit based in Washington, D.C.

In addition to taking the usual security measures of using regularly updated antivirus and antispyware software and a firewall, as well as the latest versions of computer operating systems and Internet browsers, it's a good idea to have a password that is unique to the deposit program, he says. The organization also encourages small-business owners to ask their banks whether additional levels of protection are available, such as a token that generates a new access code at fixed intervals.

Another risk is that a check will be scanned more than once, but most systems are set up to detect such mistakes, says TD Bank's Mr. Murphy. Most systems also alert users to checks with a mismatch between the dollar amount written as a number and the amount spelled out in words, a common check-writing error.

Population Action International, a Washington-based nonprofit that promotes family planning and reproductive health, has been using remote deposit for about three years with only one glitch. It receives about 15 to 75 checks a month, and scans all but one—from the same monthly donor. "Her checks don't go through, and we don't know why," says Rachael Murray Rakestraw, vice president of finance and administration at the nonprofit. An employee takes the check to the bank with the cash that donors sometimes mail in.

The glitch isn't a common one, says Lauren McClintock, a spokeswoman for TD Bank, where Population Action banks. It's likely caused by faulty printing of the numbered coding at the bottom of the checks, she says.

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