



Moneris Solutions
Tom Lacey interview
Lacy and Sons Inc.
DBA ColorTyme

Tell us a little about your company?

Tom: I own Lacy and Sons Inc., and have three ColorTyme stores in the San Diego, California Area. We have been doing rent to own since 1980.

What is important to your company?

Tom: Customer service, customer satisfaction, long term relationships, and running a fair and profitable business.

Do the three main concerns of the rent to own industry (according to APRO) which are improving the perception of the industry, the national legislature initiative, and improving the individual businesses fall in line with your company?

Tom: Pretty much. In the great state of California, we are so heavily regulated, it is just scary. It makes it really challenging to do business.

So you would definitely benefit from having a national legislation?

Tom: Yes, but unfortunately, I think it would fall along with what they did in California, if not a little bit stricter. They put such heavy price restrictions and regulations on you, and it has made it a lot more challenging.

Why do you think you have all these price restrictions?

Tom: I think a lot of it has to do with perception. Ed Win could probably answer these questions better than I can, as he stated when he ran down the new regulations that went into effect January 2007. It is very expensive to do business in California...so you have to cut expenses, and save anywhere you can, and that's actually where Moneris came in.

This is a good segue in your business with Moneris. How were you introduced to us, was it through APRO?

Tom: Yes. I have been a long time APRO member, I am a member of CAL APRO, I am a TRIB member. I have been with Moneris since April 2007.

How has your experience been with us so far?

Tom: Fantastic. I was kind of surprised when Peggy (Peggy Smith is Moneris' relationship manager for the rent-to-own businesses) called me a week or two ago. I was kind of concerned because my rates had been going up and up. When I looked at my statements back in January 07 (before I switched), I am saving anywhere from \$800.00 to \$1,500.00 a month in fees. I have been doing this for 28 years now, and I am pretty stuck in my ways, and I generally don't switch around. That's why I am surprised everybody didn't switch. I am dumbfounded. I am usually the last one to do anything like that.

That is good to hear! At the end of the day, we (Moneris) are going to bring a quality service at a price that really beats a lot of (payment processors) out there.

Tom: I checked around, and I can't believe there is a better deal out there, and if there is, I wish someone would give me a call and tell me about it! With my three stores, we are charging anywhere from \$80-\$100,000 per month in cards now.

When we leverage size like we do with APRO, we are able to go out there with a more competitive offer. Plus you get all the benefits of your APRO membership. We think of this as a win-win (relationship).

Tom: Me too. Like I have said, I have had no qualms, no problems, the service is fantastic, saves me money, I mean, to me it is a no brainer. I don't understand why everybody didn't switch (to Moneris). Like I said, I am still dumbfounded about that whole deal. They ought to switch. I was telling Peggy, I recently did a loan on a building I bought down here, and they were trying to get me to do all my credit card processing and banking through the place

that was giving me the loan. I nixed all of that. So the only way I can figure it out is these guys are tied in with their banks, with some loans (where) they made some concessions by running all their credit card processing through them. It's crazy if they are, and that's the only reason I can think why somebody wouldn't switch.

With all the price restrictions and costs going up, and just the general economy where things are at right now, how has saving money in your (payments) processing, benefitted your bottom line?

Tom: Well, Like I said, I am saving anywhere from \$800-\$1,500 per month. Multiply that by 12, you are saving up to \$15,000 a year. That is a lot of money, and again, I can't understand why everybody hasn't switched.

And you can spend that money on other things...

Tom: As you stated, in the tough economy we are in, especially in California where gas is near \$4.00 a gallon, rent and mortgages are going through the roof, you have to be saving money, anywhere you can.

From a percentage basis, how much do you think you are saving with Moneris?

Tom: I was looking at my files the other day, and I feel that I was paying anywhere from 3.5%-4%. (Processing with Moneris) It's cut my fees in about half.

With some of the other rent-to-own business we have talked to, some of them are leaning towards ACH and debit card payments. Would you say you are doing this as well?

Tom: No...obviously debit is the way to go, you get the customer in the store, and they are swiping their card. We still do tons of payments by phone. 80% of our payments are by phone.

Would you recommend Moneris to your colleagues?

Tom: Without a doubt. I am shocked everybody didn't switch, I don't understand why. I would like to know if there is a better deal out there, or their not taking credit cards...I don't get it.

Anything else you would like to add?

Tom: As you stated, it is a really challenging time for everybody, I assume, I know it is really challenging for me right now. Any method you can use to increase sales, or decrease expenses, you have to take advantage of it. And that is where Moneris came through.