

EAGA Business Builder

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Today's speaker was Lou Rodges—Retriever Merchant Solutions



Mr. Rodges is a native of Mississippi, but he didn't spend any time talking about that. He is also a Philadelphia Eagles fan and, thankfully, he didn't talk much about that either. Lou did talk a bit about his three daughters whom he cares about a whole lot. The eldest of the young ladies just moved to Maryland (sadly, that's a long ways away from here). The second daughter just graduated from school in Phoenix, so is heading out toward her own future as well. The youngest daughter is still at home though, when she is not on the volleyball courts. Mr. Rodges also mentioned that he has been married for twenty-three years - just in two rounds. The first lasted twelve years, and the current marriage has now been eleven years, progressing toward ever-after. Lou's discussion today also divulged a little known struggle that he has been going through over the past couple of years. He is trying real hard to get used to functioning in the sunlight. It is not a recovering vampire thing. In his recent past, Mr. Rodges had worked for 22 years at Intel, then for 5 years at Texas Instruments—always on the night shift. Now that he isn't constantly in the dark anymore (at least job related), Lou is finding his surroundings to be a very different place. He is probably amazed to find that restaurants are actually open when he is ready for lunch. In this new daytime-world, Mr. Rodges has a new career. He sets up credit card processing activities for businesses. At least that is what he was doing up until March of 2020. During the totally unexpected events of this coronavirus infused past year, Lou found himself longing for his previous night-time life, when things were more clear and predictable. When the pandemic hit a few months ago, governmental restrictions shut down almost all retail activities for an extended period of time. Lou's credit card processing operation dropped by 100%. Business had dried up and his revenue stream became a dried up arroyo literally overnight. But Lou is an industrious guy. After a bit of searching and hunting for straws to grasp, he was able to come up with a few possible options. Some of them may be for the short term, some for longer, but all are opportunities to dig out of the 100% loss of revenue situation. One new revenue stream concerns the processing of credit cards for Cannabis industry businesses. An unforeseen (or at least not well published) complication to the legalization of Cannabis in New Mexico, is the fact that such activities are still not legal on the federal playing field. A cannabis dispensing facility cannot use the 'normal', federally regulated, credit card processors for their cannabis related business transactions because those activities are still technically illegal operations. Lou has discovered a credit card processing system that is outside of the federally regulated realm, so is able to work with cannabis related transactions. He referred to it as the "ATM rail". (per Wikipedia: "A payment rail is a payment platform or a payment network that moves money from a payer to a payee. Either party could be a consumer or business, and both parties are able to move funds on the network." It is better to ask Mr. Rodges to better explain what all that stuff means). This particular processing system is able to exchange funds for activities that are legal from the state's perspective, but not from the fed's perspective. It's also good to know that this system is not limited to processing payments for cannabis products. It can also be used for processing sales of related 'munchies', and actually for transactions pertinent to just about any type of product or service. This ATM rail thing is not a percentage fee based system either. As a matter of fact, the customer actually pays the fees. Both of those are positive attributes considering the borderline dishonest approach of the 'standard' credit card processors who charge fees which are almost completely based on a percentage of the transaction. The gripe is not so much with the percentage method of calculating fees, but is with the confusing, obtuse and arrogant way that the percentages are determined and assessed. Some are explained, some hidden; some are predictable, some are ever changing, or are based on factors unknown and pretty much undeterminable by the businesses that are required to just pay whatever percent the credit card processor says is the correct amount for the circumstances in that particular instance. Obviously, there are costs incurred for providing all of the consumer rewards; the miles earned; the points that are accumulated, or the cashback options that are given to credit card owners as they are enticed to use specific cards. The credit card companies do not absorb those costs, but instead pass them on to the businesses that accept the cards. The above referenced hidden, ever changing, not predictable and generally confusing percentage fees that come with the standard, like it or leave, credit card processing companies, are the basis for a conclusion that those guys are not our friends. And we haven't even mentioned the 'charge back rules (informally called 'hoops that have to be jumped through'). Maybe a business would be better off by minimizing credit card transactions in the first place by offering a discount for payment in cash. Otherwise, consider that ATM rail system thing that Lou provides. And there is an offshoot of that program...Cashless ATMs. It is just a way of allowing customers to use their ATM cards to obtain cash, without the dispensing business having to keep money in a separate ATM machine. In this process, a device is used to verify that the customers' funds are available, then the customer gives the confirming receipt to a clerk who then provides the cash from a standard ash register location. But back to another revenue producing options for Mr. Rodges. He is a representative for SimpleRx, a prescription discount/pre-packaging program. Similar to the regularly advertised GoodRx program. Lou says that the program he represents can be used for people prescriptions, or for pet's meds. It is accepted at Albertsons, Walgreens, Smiths, etc, but none of those pharmacies will promote the discount options. The customer has to ask in order to get it. Also note that sometimes the discount programs have a better price, and sometimes they don't. If you want to talk to Lou about any of his new, or his old, credit card; ATM rail; SimpleRx offerings, give him a call at 505-217-4393. He will provide you with options that can be beneficial, day or night.

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- ◆ **Board Members please note:** There will be a Board meeting right after the regular breakfast meeting, this coming Tuesday, May 11th.
- ◆ **The 2021 Summer Bash** has been scheduled for July 10th at Kit Turpen’s family compound and the Bash Committee is forming now. If you would like to become a member of that illustrious group, please contact one of the Committee Co-Chairmen; Pat Maloy [pat@maloymobilestorage.com] or Dan Mowery [danmowery@gmail.com]. Being on the committee will give you and your spouse/significant other an opportunity to get to know other members in a non-business, non-virtual setting. Most of what you may have heard about that committee is true. They have a good time and ALWAYS put on a good Bash (except for 2020 when...well, you know that story).
- ◆ **Tuesday meetings continue at Rio Bravo Brewing.** The next one—May 11th - 7:00 am. Currently under the same pandemic rules that have become all too familiar, so please bring your trusty mask and wear it as required. Hopefully that nightmare will be winding down in the very near future, but for now, social distancing is still the rule of the day.
- ◆ **Upcoming speakers:**

May 11th	T. J. Maloy—Waterjet Cutting
May 18th	<i>Available Business Promotion Opportunity slot</i>
May 25th	Dr. Gary Sanchez—Sanchez dental
June 1st	Memorial Day Holiday Week
June 8th	<i>Available Business Promotion Opportunity slot</i>
June 15th	<i>Available Business Promotion Opportunity slot</i>
June 22nd	<i>Available Business Promotion Opportunity slot</i>
June 29th	<i>Available Business Promotion Opportunity slot</i>
- ◆ **We haven’t pestered that much lately, butPleeease!** We are in need of speakers for our upcoming meetings. Right now, you can take your pick of any Tuesday in June (or July). Please take the opportunity and wow us with some of your expertise, your business prowess, your ingenuity in bringing your business through the pandemic restrictions, or your magic/juggling/comedic skills.

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