

Global Leader in Document and Cheque Processing for Banks and Remote Businesses

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Global Remote Deposit Capture (RDC)

Legislation passed in many markets throughout the world including Mexico, India, United States and Brazil allows banks to clear cheques based upon digital images of the original items. This legislation resulted in a new deposit application, remote deposit capture (RDC). RDC enables businesses, and potentially even consumers, to make cheque deposits directly to their bank account from their office. It is one of the fastest adopted banking technologies and is quickly becoming a must-have treasury management solution for many businesses throughout the world.



What is RDC?

Business clients of a bank can utilize compact, yet robust cheque scanners to capture a digital image of cheque deposits at their office location(s). The MICR line and cheque images are archived for storage and retrieval purposes,

and are transmitted via secure software and network connections to the bank for processing. Businesses have recognized the tremendous efficiencies associated with transitioning from paper-based cheque deposit processes to a remote capture solution, and financial institutions that offer this solution to their commercial accounts are gaining substantial deposit market share and lower operational costs.

What began as a new way to deposit cheques has become a priority for financial professionals in many other countries because it allows businesses to operate with greater freedom and flexibility.

Global RDC Experiences

As RDC continues to experience growth and adoption, there is a tremendous opportunity to

understand important lessons learned from the many implementations throughout the world.

At the top of the list is the importance of magnetic reading or MICR, the magnetic ink used on a cheque to verify item authenticity and provide payment information. The ability to accurately read MICR encoding from a cheque is the critical prerequisite for banks and their customers to ensure an efficient cheque deposit and clearing process. MICR is a proven security measure to verify item authenticity. Many cheque truncation laws require that the cheque image must be an exact replica of the original item; MICR supports compliance with this statute, reducing risk and liability.

Image quality is also a key feature of a remote deposit capture solution. Original paper cheques are replaced by image as a result of RDC, so clearing and processing activities rely on these images. Security, efficiency and cost of the process are jeopardized with poor image quality. Experience from global RDC implementation indicates that the primary image quality metrics that should be monitored closely include too dark / too light and excessive item skew, both of which can be reduced or eliminated with the selection of appropriate cheque scanning technology.

Additional Global RDC Implementation Insights include compliance, application architecture, critical RDC software features, and vendor leverage.

As remote deposit capture continues to expand globally, new opportunities to leverage the technology will continue to develop. Many more countries throughout the world will soon implement RDC as the cheque image is increasingly given legal status. Banks will begin using this treasury management solution as a deposit acquisition strategy providing a widening competitive landscape of solutions for businesses to evaluate.

Any financial institution with business customers making cheque deposits should evaluate remote deposit capture as a priority strategy to create more efficient processes in a time when deposit acquisition and cost reduction are more important than ever. RDC is a payment processing solution sure to save many banks and businesses valuable time and money.