

## ESTA Business Conference 2015



## Communication WG

### Members:

- Jorge Álvarez-Naveiro – Prosegur
- Karin Tielenius Kruythoff - G4S
- Mario Valls Martin – Loomis
- Guillaume Nonain – Brink's
- Mariane Malzac – Brink's

## Purpose of the Communication WG

### Mandate from the Board

- “*Proactive, not just reactive communication*”
- The objective is to:
  - 1) Promote of the organisation and its members
  - 2) Confirm ESTA as a reference & point of call
- Reflects the new vision of ESTA that it should be the “recognised voice of the industry”

## Workstream

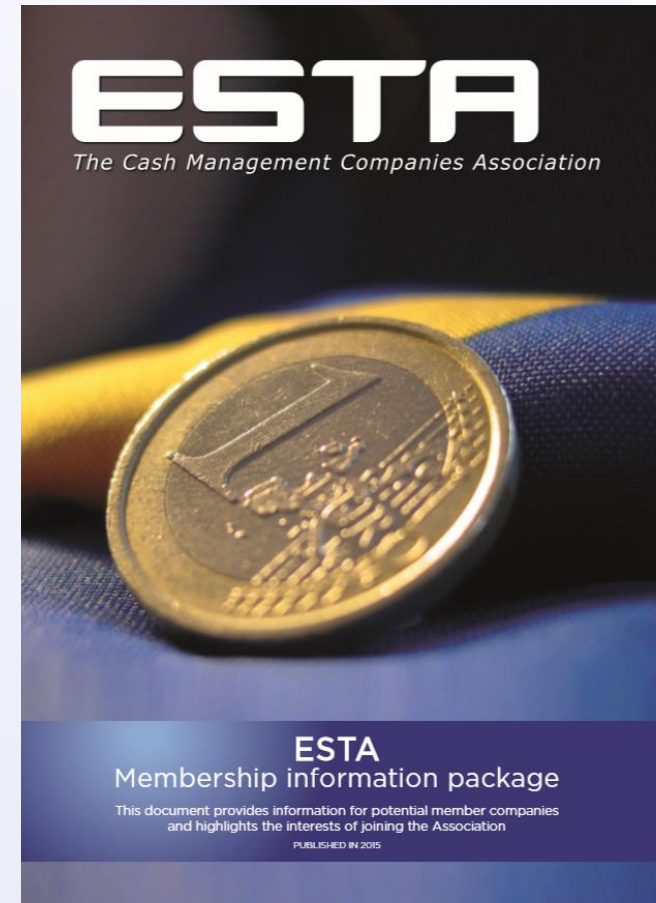
Definition of ESTA's objectives of communication:

- Raising visibility and awareness
- Restoring the truth on cash
- Communicating proactively (but selectively)
- Production of communication material
  - Membership information package
  - Untold Success Story of Cash
  - Industry At A Glance

## Membership

No strong mandate to increase membership, however:

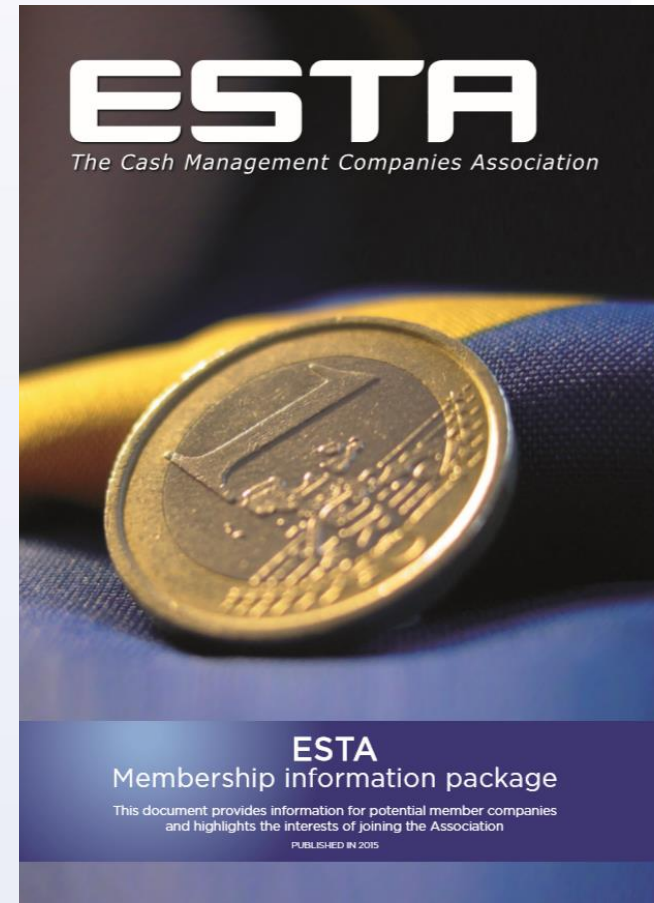
- ESTA should represent the industry as comprehensively as possible
- ESTA should aim at being at the center of the various cash cycle stakeholders
- Credibility is a function of representativity



## Membership information

Synthetic information on :

- Governance of ESTA
- Membership categories and conditions
- ESTA's working groups and activities
- Policy monitoring and proactive engagement
- Preservation of the industry business environment



But no easing of Membership conditions!

## “The untold success story of cash”

### Restore some truths on cash

- Recall the strong societal benefits of Cash (public vs private money)
- Cash use and demand
- Retailers do like cash
- Cash is safe not prone to counterfeits
- Cash is resilient
- Etc...

#### Cash: the untold success story

##### Getting the truth on cash

###### Uninterrupted success

Cash is in existence for almost 3,000 years. Not many products used every day by today's consumers can claim such a long time of existence — apart perhaps the wheel.

The reasons of its success are still there and consistently prove cash to be the most compelling means of payment. In addition the recent crisis has shown that when all is bad, cash is the one thing that consumers trust for safeguarding their wealth.

The key functions are more or less unchanged and remain focused on the storage of value, the immediate settlement of debts and the transfer of wealth. These three functions are, in themselves, the reasons for the uninterrupted success of cash over nearly 3,000 years.

###### Cash is cheaper than most payment systems

The European Central Bank, ECB states that cash has the lowest social cost per transaction due to high usage of cash. Actually the cost of cash is so low that it is the benchmark. Furthermore, cash generates seigniorage which reduces its social costs and benefits everyone (as it substitutes for taxes which would otherwise need to be collected elsewhere).

Cash is public money generating public revenues; e-money is private money.

###### Cash has strong societal benefits

Consumption is the biggest element of growth (GDP) as more than 50% of transactions are paid in cash. Contrary to e-money and cards which is

private money generating private profits, cash is public money generating public revenue.

Competition is necessary for a sound economy and although there are strict rules in place to protect it at Member State and EU level, there has never been any competition case against cash.

There is a precedent of cash-led economic miracle, the German “Währungsreform” of 1948: the introduction of the Deutsche mark (60 DM in cash were given to each citizen) to replace the Reichsmark is recognised as having directly contributed to the elimination of black market nearly overnight.

###### Cash use and demand

→ Cash is the most appropriate means of payment to reduce financial exclusion among the poorest.

→ More and more people choose cash payments as a means to monitor their expenditure, since the use of electronic money is not always perceived as “actual spending”.

→ Cash as a percentage of GDP is growing in highly developed countries and countries with higher GDP per capita.

→ Cash use increases in period of economic turmoil: cash is in essence a “deposit of trust”. Surveys regularly confirm that

Following the collapse of the Lehman Brothers bank in September 2008, there was a sharp increase of the demand on the Euro in the following months. As a result, the value of Euro bank notes in circulation rose sharply by € 35-40 billion at that period.

## Industry at a Glance

- Update the information available on the Industry
- Explain the technical aspect of cash for interested, but non specialist audiences
- Provide interesting facts and practical information on cash
- Two A4 pages

### "Industry at a Glance"

The paper flyer on the Cash Management industry for discussion during the Communication working group call of 25 September 2014

The Communication Working Group discussed during its initial meeting the need for producing a short, up-to-date, pamphlet on the Cash Management industry. This would replace the current one page on ESTA's website (<http://www.esta-cash.eu/en/publications/?issue=20>).

#### Objective of the document

The document would provide in an attractive layout a short, non-technical, description of the industry. It would aim at providing readers up-to-date, factual, accurate information on cash and cash management companies and its contribution to the economy and growth.

#### Targeted audience

The targeted audience would be non-specialist professional audiences such as journalists, MEPs and officials from Member States and EU institutions who are not cash specialists but need to understand what cash and the industry are about.

#### Content of the pamphlet

It could for example:

- Present the industry—not the full list of members but possibly the big players in the EU and in markets
- Illustrate the cash cycle in an easy-to-understand way and showcase the role of CMCs in the process, putting some emphasis on the "public good" elements of the service provided (authentication, fitness checks, making cash available where it is needed, managing cash for economic operators etc.). A possibility would be to provide a graphic illustration of the "journey" of a bank note taken from an ATM back to another ATM.
- Provide interesting facts on cash that are of general interest: e.g.:
  - a short history of its origin and key facts of its developments and some anecdotes on odd forms or money etc...
  - key figures of cash in circulation: euros, US\$, GBP etc. as they can be gathered and facts such as money velocity to help readers understand the nature and scope of cash and how it works etc.
- Provide information on what to do with stained notes and on easy tests to check whether a bank note is authentic; present some features of security and protection used in vans that can be shared outside the industry to convey the message that safety of transport is continuously improving.
- Without duplicating the pamphlet on "Myths", use some of its arguments and restore some truth. Messages such as "cash is public money generating public revenue, cards are private money generate private profits" could also be put prominently.

#### Structure of the document

The layout should be in 2 A4 landscape pages (recto/verso), in a way which can be folded in three parts if we decide to make print-outs.



## No “proactive” media strategy

- Proactive coms: it is about identifying the opportunities to engage and convey ESTA’s messages
- It is not about proactive media/journalists activities
  - No newsworthy agenda of relevance to ESTA
  - No big story to tell
  - No specific expectations from the media
- We respond to queries from the media when they occur on a case by case by case basis and very selectively

Thank you !