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## A Simple Reason for the Growth of Lockbox Providers

Lockbox providers often provide the broadest capability and most cost effective processing solution!

*By Bill Enslen*

Lockbox providers are investing in new technologies and functionality to address today's multi-channel payment environment and now have the economies of scale to offer a broad range of services at a low cost. In other words, today's lockbox outsourcing providers allow their clients to have their cake and eat it too.

### New Features

Changes in the transaction processing industry continue to accelerate at a rapid pace. Electronic payment transactions now dominate but paper isn't going away. The adoption of Check 21 and Image Exchange has become mainstream and is facilitating the proliferation of "remote capture", even from cell phones. But no matter what the payment channel, there is a need to accurately post transactions with dynamic, intra-day access to transaction data in order to competitively service clients.

Today's progressive lockbox providers are proactively expanding the functionality and services offered in order to address increasing demanding market and to retain clientele. New functionalities include: quick setup of remote capture locations to enter new markets; virtual lockbox, to allow client's online resolution of exception items; electronic lockbox, to collect and consolidate all forms of electronic payments; dynamic notification to clients regarding the value of intra-day transactions received by the lockbox; and intelligent document recognition, which provides for the efficient capture of extended data from a variety of documents associated with the payment.

### New Pricing

It is now more cost effective than ever for companies to take advantage of the benefits offered by payment processing providers, and here's why: The new functionality needed to manage multiple payment channels requires significant investments in new technologies and operational expertise. And at the same time, as paper volumes drop, the cost of sustaining these existing investments in processing paper-based transactions becomes difficult to justify. As a result, more and more companies have decided to outsource their payment processing, which in turn increases the lockbox provider's economies of scale. All of this strengthens the provider's ability to continue to expand their services offerings to the marketplace at the most competitive cost.

### Supporting the Providers

J&B Software continues to make major investments in solutions that support these providers as well as offer the latest functionality that benefits their clients. In addition to the company's core TMS Image payments system platform—which provides wholesale and retail processing capabilities—J&B offers an application suite that includes solutions for remote image capture, electronic clearing, intelligent document recognition, remote data entry, as well as full-page document management, transaction archive, and online web-based exception processing and customer transaction query.

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