Funds in a Flash: NetBank Plugs into The UPS Store®

When the web took root in the 1990s, a new breed of companies emerged to offer online alternatives to everyday activities like buying groceries, renting movies, getting dates and reading the newspaper.

Banking was no stranger to this online awakening. Take NetBank, for example. Founded in 1996, NetBank offers customers deposit, loan and investment products; checking and money market accounts; as well as credit cards, mortgages and consumer lines of credit—all online, without a single brick-and-mortar location.

But while online banking offers consumers some big advantages, such as lower user fees and access to their accounts from any computer, the lack of physical locations can have its drawbacks. “As an Internet-only bank, we struggled with the problem of how customers could physically deposit funds and access them in a timely fashion,” says Tom Cable, president of Financial Technologies, Inc. (FTI), a wholly owned subsidiary of NetBank.

Deposits from customers on the West Coast could take up to seven days to reach the deposit center and become available. And even customers in nearby locations would have to wait two or more days for delivery of checks by mail.

The solution: Make The UPS Store a point of access for NetBank customers. With more than 4,200 locations across the U.S. and a network serving 72 percent of the nation’s population within five miles of any locale, The UPS Store would provide a convenient drop-off point for NetBank customers, and their deposits would be available the next-business-day. “We knew we had the potential to create a unique service by utilizing the expertise of UPS and the omnipresence of The UPS Store network,” says Cable.

QuickPost is born

Before launching the nationwide deposit system, UPS and NetBank conducted a four month pilot of QuickPost™—as the deposit and payment forwarding service came to be called—that saw a 13 percent adoption rate despite limited marketing. NetBank knew it had a winner.

Challenge: Offer NetBank customers a free and convenient means for dropping off paper deposits and payments and having them quickly posted to their NetBank account.

Solution: NetBank aligns with The UPS Store and introduces QuickPost: a paper-based deposit and payment service that lets NetBank customers forward their deposits or payments from any location of The UPS Store and receive next-business-day posting that’s free of charge.

Results: Once a strictly virtual operation, NetBank now boasts more than 4,200 locations where customers can drop off deposits and payments. Rollout is quick and easy. In the initial pilot, NetBank realized a 13 percent adoption rate despite minimal marketing.
By the end of March 2005, QuickPost was available in every location of The UPS Store. And within six months, 30 percent of the deposits NetBank received were arriving via QuickPost. The service has since been adopted by scores of national and regional financial institutions.

How it works

To use QuickPost, NetBank customers simply fill out a deposit slip, endorse their checks, and slide everything into a QuickPost envelope. As a bonus, they save a stamp on every deposit because NetBank covers the shipping charge.

These envelopes are bundled and shipped via UPS Next Day Air® to a state-of-the-art processing center in Louisville, Ky., that is owned by UPS and managed by FTI. The checks are then converted to digital images and processed electronically, allowing for faster availability of funds.

“From established financial institutions with locations nationally to small local banks and Internet lenders, anyone can sign up to use the QuickPost program,” says Jeff Fischer, director of business development, UPS Retail Services. “And since most locations of The UPS Store have notaries on site, you can notarize your documents, make copies and ship them immediately—all from one location.”

NetBank did it, so can you

In the end, says Fischer, QuickPost’s success is a lesson to any business interested in pairing with The UPS Store and adding thousands of locations where customers can ship or receive goods through one of the world’s most efficient networks. There’s also the credibility factor: “By aligning with The UPS Store,” he says, “a business can instantly connect its name to a name people trust.”

As for the effort it takes to arrange this relationship? “It’s a breeze,” says Cable. “As an independent, Internet-only bank with no branches, we were able to immediately level the playing field with traditional bricks and mortar banks without having to lay a single brick. It’s been an excellent relationship.”

For more information on how QuickPost provides speedy deposits and payments, visit financialtechnologiesinc.com. Or visit theupsstore.com to find The UPS Store nearest you.

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“The UPS Store gives us a nationwide presence that allows us to serve our customers better and more conveniently.”

— Tom Cable, President, Financial Technologies, Inc.