



## B2B Group CASE STUDY



# Company with 100s of Websites, Publications Resolves Unique Processing Challenges

F+W IS A CONTENT AND E-COMMERCE COMPANY HEADQUARTERED IN NEW YORK CITY. WITH MORE THAN 100 DIFFERENT MAGAZINES AND ONLINE PORTALS DEDICATED TO NICHE CATEGORIES SUCH AS CRAFTS, ART, WRITING, DESIGN, OUTDOORS AND LIFESTYLE, THE COMPANY FACED SOME UNIQUE CHALLENGES RELATED TO CREDIT CARD PROCESSING.

According to Rich Werner, vice president and controller of F+W, many of their sites operate independently. As a result, **the company was working with six different payment processing companies. This created an unnecessary burden on Werner and his team, who had to deal with separate contacts and agreements.**

Additionally, Werner was fairly certain that, overall, F+W was paying higher processing fees than they should be. Therefore, the search for a single processor began. In the end, F+W selected Sterling B2B Group.

### Proprietary Sterling Technology Yields Competitive Rates

An analysis of F + W's credit card transactions revealed that the transactions should be classified into different interchange categories that would ultimately result in lower interchange fees for the company. For example, some transactions qualified for an emerging market rate, while others were purchases from B2B customers. By leveraging Sterling's proprietary technology, F+W could take advantage of both transaction types and receive a reduction in fees.

In the time since earning F+W's business, Sterling B2G Group has continued to pursue low rates for the company.

"As our processing volume has increased, Sterling has rewarded us by adjusting their fees," said Werner. "This was particularly valuable to us because like most companies, we feel continued pressure to ensure we're being fiscally responsible."

Werner continues by explaining that while Sterling's initial low bid won them the business, there are other value-added benefits that have solidified the relationship between the two companies.

### Development Expertise Leads to Efficiency Gains, Cost Savings

As an acquisition-focused company, F+W found itself with more than 100 websites, many of which were collecting payments

differently. Sterling's technology team worked with F+W's development team for all the integrations, helping to quickly and seamlessly transition the company to Sterling.

Additionally, Sterling was able to draw from its expertise and point out that F+W was using Magento as its e-commerce platform. Magento has a preferred integration with Authorize.Net for payments and the functionality is nearly plug-and-play.

"Our Sterling representative advised us that if we were to change to Authorize.Net, it would be easier for our development team to add and update payment functionality," said Werner. "By bringing that to light, Sterling helped our developers reduce their time spent on payments-related e-commerce functionality by 90 percent."

Additionally, because Sterling had other customers using Authorize.Net, the company was able to consult with F+W on implementing the service.

"Sterling armed us with knowledge we would never have and put us in a great position," said Werner.

## PCI Expertise Helps Avoid Breaches, Fines

PCI and data security are critical areas for F + W. As an e-commerce merchant with significant volume, F + W is considered a Level 3 merchant for PCI requirements. Additionally, the amount of e-commerce volume makes the company a high risk when it comes to credit card fraud. Finally, because the company acquires new websites frequently, the acquired company brings its own systems and processes, which further complicates the data security landscape of F+W. Overall, Werner said that PCI is a pretty overwhelming

undertaking for the company to tackle. Sterling worked with F + W and their selected QSA step by step to help F+W become compliant.

"Our IT department has bits and pieces of knowledge about PCI, but not the whole picture," said Werner. "Also, there was some amount of interpretation with the PCI questionnaire that made us uneasy. Sterling knew that we could face financial penalties from Visa and MasterCard and began to proactively encourage us to make the necessary adjustments to our systems and processes to ensure we avoided penalties and keep our customers' cardholder data safe."

By combining its experience with other customers, their knowledge of PCI, and their understanding of F+W's payment and network infrastructure, Sterling was able to help F+W address any deficiencies in its security to become and remain PCI compliant.

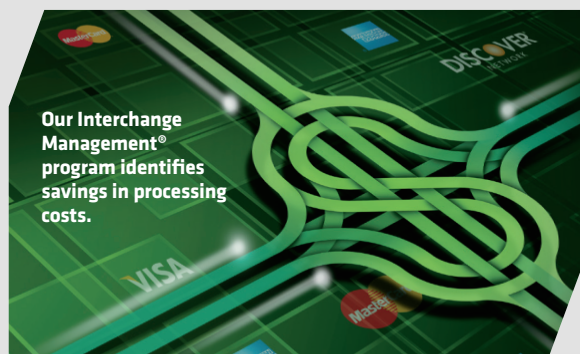
## Custom Reporting Gives Clarity to Payment Processing

Sterling has been able to help F+W stay on top of its credit card processing costs by providing customer reporting. Due to the high number of accounts (one for each website) and high volume of transactions, F+W needed custom reports created to give management visibility into each account, including chargebacks. Apart from seeing their payment activity, F+W is able to verify the rates it receives are as low as possible.

What began as a project won primarily on price has turned into a valuable partnership that goes beyond lower interchange fees. "Oftentimes, when you put something out to bid, there will be bad surprises that pop up once you select a vendor," said Werner. "The only surprise we've had with Sterling is that they've done better than we ever expected."

## About Sterling B2B Group

Sterling B2B Group specializes in providing cutting edge electronic payment processing services and solutions to business-to-business (B2B) merchants and corporations throughout the U.S. Sterling B2B Group revolutionized the payment industry with its proprietary Interchange Management® program that ensures your payment processing is optimized to achieve the lowest possible overall cost of payment acceptance.



Sterling B2B Group is a business unit of Sterling Payment Technologies dedicated to the B2B market. Our broad range of payment processing solutions for Purchasing cards, credit and debit cards, virtual terminals, electronic check and more enable businesses of all size and type to benefit from our deep knowledge and understanding of the B2B market.

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