

McM EXTRA

news from **McCoy
myers
& associates**

McM Users' Meeting 2011

It's time to register for the 30th Annual McCoy Myers & Associates Users' Meeting!

The Users' Meeting will be held on Thursday August 25th and Friday August 26th at the Dallas Fort Worth Airport Marriott.

The meeting will begin at 1:00 p.m. on Thursday and will conclude at approximately 1:00 p.m. on Friday. All meeting functions will be held at the Dallas Fort Worth Marriott, located at 8400 Freepport Parkway, Irving, TX 75063.

We have some very exciting and educational events planned. Please watch mccoymyers.com and WebSecure: we will be posting an agenda, registration forms, and other information about the 2011 Users' Meeting.

Last year's survey results showed three distinct trends: you wanted lower prices, you wanted Thursday/Friday instead of Friday/Saturday dates, and you wanted more educational breakout sessions. We are pleased to announce that we are working to address all three of your requests! Registration fees have dropped substantially this year. Please check out our website for more details! We have also switched to Thursday/Friday dates.

banking
anytime
anywhere



Our sessions are still being finalized, and we are ensuring that we include even more educational sessions. Tentative sessions include:

- Social Media/Facebook panel discussion
- webLinks30
- Attus Technologies
- PFM/OFM-Mobile Banking
- Four Back to the Basics "Forgotten Enhancements" classes for Deposits, Loans, GL, and System Maintenance
- Marketing Your Bank
- Escrow
- R11 Most Current Enhancements
- R11.01 Future Enhancements/EOY

SPEAKERS

Thursday's featured speakers are Roger McCoy and Derik Sutton, who will be discussing Bank Technology Today and Tomorrow.

Friday's featured speaker is Steve Powless, CEO of Computer Services, Inc.

THURSDAY'S ENTERTAINMENT

Casino Night and the "Motivator" DJ are back again by popular demand. It promises to be another terrific evening! Games will include blackjack, craps, roulette, and even some Texas Hold 'em! Participants are given chips to play with so the only thing you risk is having a good time. Make your plans to come join us for an evening of high stakes fun.

Registration for the conference and for the hotel is now open on www.mccoymyers.com. We hope that you will mark these dates on your calendar and plan to attend the Users' Meeting. ■

DesignPro is a template-based website design tool that includes secure web hosting.

DesignPro was created so that users without technical expertise in HTML or other Web design software programs can publish an attractive and informational website.

But if designing your site isn't something you want to tackle, then contact McCoy Myers. We've got talented folks ready to assist you with the design and maintenance of your site.

EASY DESIGN

With eye-catching templates for page design, stylish graphics, and an easy-to-use wizard for adding content, a user can easily create a website that will draw customers to their bank and keep them coming back to the site for more information.

DesignPro also offers optional, low-cost financial calculators for personal financing, investments and retirement.

A BROWSER IS ALL YOU NEED

With DesignPro, no special software is needed. A browser such as Internet Explorer or Firefox is all you need to create and maintain your bank's site.

MAXIMUM SECURITY

And with security a hot topic on everyone's list, DesignPro also offers the security that comes with CSI's webhosting infrastructure.

Our webhosting infrastructure includes redundant firewalls, Intrusion Detection, 3rd party penetration tests, and offsite backups to ensure that websites are not compromised.

INSTANT PUBLISHING

DesignPro puts the control of your website's appearance and content in your hands and eliminates the need to depend on a third party for updates.

In today's world where up-to-the-minute information is expected, an outdated website is certainly not the image your bank wants. DesignPro makes sure that you don't have to wait on anybody.

You can update and manage your site from within the office, from home, or even on the road. Instant publishing allows your site to be done now.

PUBLISHING ASSISTANCE

Remember, even though DesignPro is intuitive to use and requires no additional software or hardware, some banks just don't want to take on this task. If this describes your bank, we can help.

For more information, please contact your Account Manager. ■

Bank Technology Today

Bank technology is an exciting field to study these days. Let's take a look at three questions and their impact on our industry.

The catalysts behind the questions regard consumer technologies, and most importantly for community banks, how those technologies will impact our industry.

Which competitor concerns you the most: the bank across the street or PayPal?

Has anyone noticed what PayPal has done in the past 18 months? For starters, the PayPal business unit will soon surpass their parent company, eBay.

According to eBay CEO, John Donahoe, "Money is going digital." More than 87 million people now use PayPal to make everyday online purchases, send money to anyone with an email address, and accept money. Their recent iPhone app also allows you to take a picture of a check and deposit the funds into your PayPal account.

Along with those features comes the announcement of Mobile Express Checkout, a platform that will allow customers to pay for retail products in stores using only their mobile phones. Starbucks will be the first retailer to adopt the platform.

Now let's begin to try and once again answer the question, which competitor concerns you the most? As of today, PayPal does not offer a lending solution, which eliminates

that part of the competition. However, I think you can agree that PayPal is doing much more to influence the way your customers expect to interact with their money. They are not a bank, yet they are taking deposits, transferring money, and establishing merchant accounts.

Just as important, they are influencing consumers everywhere by making people comfortable with exchanging money in a non-traditional way. The steps that follow are going to be investing and lending in non-traditional ways.

Traditional payment channels are fracturing; is that good or bad for community banks?

As discussed previously, PayPal could most certainly fit into this category as well, but I feel what they are doing to influence consumer behavior deserves its own level of consideration. Now let's discuss some other payment channels that are impacting our industry.

Near Field Communications (NFC) will be a buzz word of 2011. On December 6th, Google's CEO, Eric Schmidt, announced that their new Google Nexus Smartphone will come with NFC capabilities. The phone is slated to release around the end of the year. One of the primary reasons to include NFC on a smartphone is to allow the phone to communicate to payment devices that are also NFC capable. Basically, NFC would eliminate the need to swipe a debit card. The iPhone 5 is

rumored to have NFC capabilities as well. "My guess is that there will be 500 new startups in this mobile payments space as these new startups emerge," Schmidt said. My guess is that many of those startups will be aimed at altering consumer's payment channels. Transaction fees are a trillion dollar industry, and this technology could crack open that safe for the right companies.

Most recently Business Week posted an article online titled "In the Works: A Google Mobile Payment Service?" The article's sources claim Google is building a payment and advertising service that would allow consumers to purchase goods by waving (NFC) their mobile phones against a register at checkout.

Currently, mobile payments are a land grab. Visa, MasterCard, Discover, and American Express as always remain in the picture but many new startups and other large companies, such as Google, Apple, Verizon, and AT&T, are all beginning to position themselves as alternatives for consumers and merchants.

At first blush, it may seem impossible for a startup to compete against the other companies in that list. In the past five to ten years, we have seen traditional companies fall from dominance to startup and/or much smaller companies more than enough to know that anything is possible (see Yahoo/Google and Microsoft/Apple).

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Bank Technology Today

It is in the bank's best interest to monitor these emerging channels and to be proactive in making it available for your customers to still use their debit card from your bank, even if it means it never leaves their wallet.

Community banks pride themselves on customer service; what if your customers don't come to the bank for service anymore?

According to a study by financial consultancy firm Celent, 2009 was the first year bank customers preferred Internet Banking to visiting a branch. According to the survey, Branch Traffic is declining, Internet Traffic is on the rise, along with the category Unknown and Mobile Banking (as of the end of 2010, 23% of banks now offer mobile banking) is poised to take off.

As consumers, we have all been conditioned to expect to complete tasks online or through an app. Your bank customers are going to expect more of the same from your bank. That begs two very important questions:

- Do your online and mobile branches convey the same level of customer service and product

knowledge as a customer service rep in your lobby?

- What's better money to spend: \$20,000 on your branch lobby, or \$20,000 on your internet and/or mobile "lobbies?"

We are all well aware of "there's an app for that." Apps and mobile computing are becoming the way we as consumers most interact with data. That trend will inevitably filter into your customer base as well.

Below are some alternative financial companies. Spend some time looking at their products and/or services and their impact on your customers. Below each company is a description of the company from their websites.

Prosper.com

Prosper is the world's largest peer-to-peer lending marketplace with more than 1,010,000 members and over \$211,000,000 in funded loans.

Prosper allows people to invest in each other in a way that is financially and socially rewarding.

Squareup.com

Today the Square team is focused on bringing immediacy, transparency, and approachability



to the world of payments: an inherently social interaction each of us participates in daily.

Goalmine.com

You just can't get around it: owning stocks is one of the best ways to build wealth over the long run. And you don't need to be rich to start. With GoalMine, you can start building wealth by opening your very own mutual fund or savings account with just \$25.

Each of the above companies represents a non-traditional way of competing against a bank's core products and services. Each of them has many of the same tenants: Simple,

Social, Cool, and Easy. No need to go to a physical location—just answer some questions and get started.

Soundness and compliance are definitely going to resonate with many people, but at the same time, the need to go to a physical location, print and sign a lot of paper, and wait for approval is not necessarily the way of the future.

Consumer technologies are beginning to have a major impact on the banking industry, beginning with their impact on consumer behavior. Sooner rather than later, those same consumers will expect more of the same from your bank. ■

MEET MCM'S

Conversion/Installation Department

Conversion can be an ugly word in any bank's vocabulary. It means changing what is normal in our routines and what is comfortable in our departments and learning a completely new routine with confidence that it will eventually be better. However, with McCoy Myers' Conversion

and Installation Team, you can be sure you are in good hands. Some of the team has come to McM from banking careers. Their experience and understanding of the process of bank processing, as well as the conversion process itself, gives your employees that added sense of security during the conversion.

Cheryl Trenfield, Assistant Vice President celebrated her 10th year with McM in January of 2011. Cheryl manages the Conversion/Installation Department, overseeing the conversion of new banks to the Meridian.NET core system and installations of most of the other McM products. This department also performs operations review, special training, and on-site training. Cheryl first started as a member of the conversion department specializing in loans, advancing to conversion team lead and department manager. She also taught various classes including Loans and TellerLinks and received the Employee of the Year in 2003. Cheryl and her husband enjoy the company of their three sons and their families, including two grandchildren. She also enjoys reading, boating, and fishing.

Donita Robertson, Conversion/Installation Team Leader came to McM 4 years ago, bringing over 15 years of banking experience, with an operations and IT background. Donita is responsible for overseeing the conversion process before, during, and after the conversion. Donita has two children and one grandson, who she loves to hang out with. An avid HGTV viewer, if you see her grab a hammer, she is probably starting another project.

Ingrid High began her career with the predecessor of the Waco

Data Center in 1982. When the DC joined the McM family in 1995, so did Ingrid. Ingrid specializes in the conversion of the Loan Department and Call Report. She is also instrumental in pre-conversion training for the bank as well as continued education through onsite training as requested. Ingrid has two grown children who have blessed her with four grandchildren. When she is not entertaining them you might find her refinishing wood furniture or curled up reading a good book.

Monroe Bull came to McM with 3½ years banking experience. With 13 years experience at McM, he specializes in MoneyLinks and also assists with core conversions and data verification, as well as occasionally conducting application classes. Monroe has three daughters. He occupies his leisure time climbing mountains in Colorado, backpacking, and playing baseball and softball regularly. He is currently involved in Search and Rescue Dog training.

Frank Guzman's service to McM began 9 years ago. His service in the Data Center afforded him the knowledge of "back room" operations, and his service in the Customer Technology department gave him the technical experience that he has now carried to the Conversion/Installation Department. Frank is the installation lead for Audiotel and Summit

Merchant Capture installations and is instrumental in imaging conversions.

Wendy Guenat transferred to the Conversion/Installation department in 2006 after serving the Waco Data Center for 9 years. The operations and proof experience has been an asset to the Conversion/Installation team. Wendy was named a 2009 Employee of the Year for McCoy Myers. Since joining the conversion team, Wendy not only helps with core conversions but also is instrumental in all imaging conversions and is the lead for Summit Imaging installations. Wendy enjoys the company of her family and supporting the local college team—Waco's Baylor Bears.

Connie Davis has served McM for 9 years, first in the administration department, then as a phone support representative before joining the conversion team. Connie's responsibilities include training during the conversion on Meridian, specializing in the CD/IRA area as well as other McM products. Connie will be leading the DepositLinks Installation along with Cathy Webster. For leisure time, Connie enjoys cooking and home improvement projects, but mostly spending time with her husband and family of four children and nine grandchildren.

Scott Bressler came to McM 6 years ago. Scott joined the

conversion team after serving in the customer technology department. His primary area of expertise is MoneyLinks; however, he does train and install ACHLinks and LaserLinks. Married with two children, Scott enjoys being a dad the most. They keep active with basketball, and he also referees flag football. He also enjoys mountain biking and handling remote control airplanes.

Sandra Dees has been with McM for 3 years. Her primary responsibility is the installation and training of TellerLinks and core conversions, specializing in CDs and IRAs. She enjoys spending family time with her two children, is active in church, and also volunteers for "Family Support Services" where she is an advocate for victims of violence. She enjoys water and snow skiing as well as dancing, cooking, and watching movies.

Cathy Webster joined last year as the newest member of the team. Cathy brings 32 years of banking experience with her. Of that time, 25 years was with a bank that was on the McM system. Cathy will be leading the DepositLinks Installation along with Connie Davis. She has two grown children and four grandchildren. Having just relocated to Amarillo, she is making new friends and enjoying the McM conversion department experience. ■