



Three Reasons to Incorporate Dual Connectivity into an ATM

Adding an additional connectivity option to an ATM can help ensure flexibility, maximize uptime and increase customer confidence.

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Ever since ATMs first gained popularity in the latter part of the 20th century, they typically have depended on a telephone connection to connect with the bank's central computer. When a customer withdrew cash at an ATM, the machine called up the main office, transmitted information about the requested transaction and adjusted that customer's balance accordingly.

The growth of the Internet in recent decades has provided ATMs with a high-speed method of conducting those transactions. The necessity of connecting ATMs to a phone line, however, has long been the determining factor in deciding where the machines could be placed.

If a particular location didn't have reliable landline service, or service couldn't be easily provided, the ATM was located elsewhere.

That's all changing, though. Today, the reliability of wireless service, wider coverage, increased data transfer speeds and the dependability of wireless equipment means that ISOs can get the best of both worlds when it comes to ATM connectivity.

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Dual-connectivity modems quickly are becoming the standard method of communication between the ATM and financial institutions. The reasons for this technology's ever-increasing popularity can be summed up by the three following reasons.

Flexibility

As with real estate, the profitability of an ATM depends in large part on location. And no matter how much research an ISO may conduct before placing an ATM, occasionally a location turns out to be a dud.

With the option of Ethernet and wireless connectivity, an ISO has the added value of location flexibility. If a location proves less profitable than it was initially hoped for, the ATM can be moved elsewhere with no additional costs, delays or paperwork.

“You don’t have to call a company to reinstall a phone line elsewhere, which can be expensive and take a lot of time,” said Raymond Kaps, marketing coordinator with The DPL Group. “All you need to do is load the ATM on the back of a vehicle and move it somewhere else.”

The DPL Group, based in New Brunswick, Canada, manufactures the Hercules Plus dual-connectivity modem. The Hercules Plus product converts dial-up and IP ATMs to cellular.

With the option of connecting either via Ethernet or wireless, deployers can place a new ATM within minutes.

The portability aspect also can be critical when it comes to setting up equipment at special events like concerts or fairs, or in the wake of a natural disaster such as a hurricane where landline communications may be interrupted. Outdoor and difficult-to-access locations also offer opportunities to reach underbanked and unbanked consumers.

“We see them at sports stadiums where there are difficulties in getting phone lines run to certain locations,” said Chuck Hayes, a product manager for Long Beach, Miss.-based Triton Systems. “That seems to be what’s really driving the deployment of wireless — that and mobile units going from location to location.”

Uptime and redundancy

If an ATM connects to the financial institution solely by a landline connection and that connection goes down, it may be hours or days before the ISO becomes aware of the problem. The result is lost revenues as customers take their business elsewhere.



Wireless connectivity, like that offered by the Hercules Plus, allows ATMs to be deployed in a variety of places quickly.

Fortunately, ATMs that were designed strictly for landline connectivity can easily be converted to a dual-connectivity solution.

For example, the Hercules Plus product can ensure that an ATM that normally operates via an IP connection doesn’t go down. If the IP connection fails for any reason, the Hercules Plus automatically reverts to wireless communication. Once the IP connection is restored, the Hercules Plus will automatically revert back to the IP connection. However, if no IP service is available, the Hercules Plus can run on strictly wireless communications.

With a dual-connectivity modem, “that’s where the redundancy aspect comes in,” Kaps said. Since the dual-connectivity modem allows for both landline and wireless communications, the ATM goes down less.

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Customer confidence

As every ISO is aware, ATMs are frequent targets for theft. Although ram raids, also known as smash-and-grabs, have leveled off in recent years, incidents where thieves try to cut open an ATM with a blowtorch are on the increase.

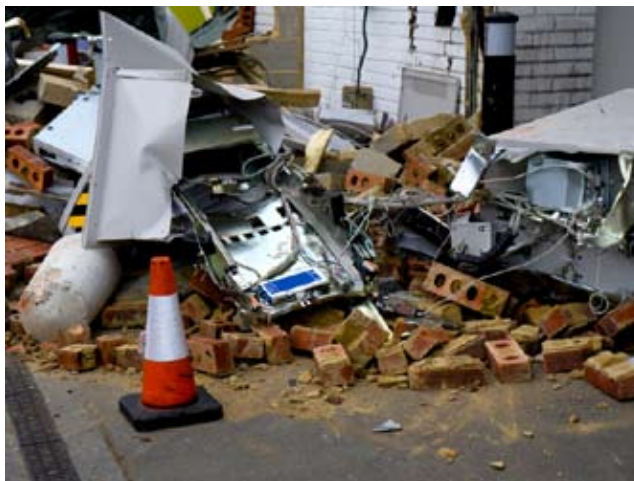
Even if located inside a retail location, ATMs are vulnerable to attack, and that's why owners and operators must be thorough when it comes to managing their fleets. But even though ATMs can be outfitted with alert capabilities designed to notify someone in the event of an attack, many of those alerts fail because they are tied to landline communications.

"With a lot of thieves who do smash-and-grabs, the first thing they do is cut the wires leading to the ATM," Kaps said. "And if the line is cut, alerts don't go out."

With a dual-connectivity modem, the ATM will continue to transmit even if the wires are cut. With an optional Anti-Theft Kit such as one offered with the Hercules Plus product, an alert can be sent to any device of the ATM owner's choosing.

"If the ATM is moved or tilted or someone tries to pry it open, the machine will send out an alert notifying someone that the machine is under attack," Kaps said.

"You can program the machine to send out an alert either to a cell phone, an e-mail address or to us, and we can get someone out there right away," he said. "Compared with the cost of insurance, I'm surprised more people aren't buying the Anti-Theft Kit."



ATMs with alert capabilities in case of attack are vulnerable if those alerts are tied to landlines. Dual-connectivity keeps the alerts working, even if landlines are cut.

About the sponsor: The DPL Group, founded in 1974, is a provider of telecommunications test equipment and cellular wireless communications solutions for the telephone, construction and ATM Industries. The DPL Group's Hercules Plus product converts dial-up and IP ATMs to cellular, with service provided on a month-to-month basis with no long-term contracts. An anti-theft module can be added to provide physical tampering alerts in the form of text messages to cell phones and/or e-mails. For more information, please see www.dpl.ca