



First Data Helps Michigan's Firstbank Corporation Fight Debit Card Fraud

- **CLIENT**
Firstbank Corporation
- **CHALLENGE**
Address the growing challenge of reducing debit card fraud to protect both the bank and its customers
- **SOLUTION**
Fraud and Risk Premium Package; STAR Network; ATM Services: Card Production, Driving, ATM Processing, Debit Processing, Reporting
- **RESULTS**
Firstbank's lowest fraud losses in several years, despite nationwide growth in debit card fraud

→ **Fraud and Risk Premium Package cuts fraud losses, boosts customer satisfaction**

When Firstbank Corporation, with more than 40 community banking locations in central Michigan, began experiencing an increase in debit card fraud, it turned to First Data for help. The solution was First Data's Fraud and Risk Premium Package, a comprehensive set of solutions that includes its Fraud and Risk Identification Service (FRIS), FRIS real-time scoring for debit transactions, card validation for PIN transactions and a full suite of card management tools. And the results have been dramatic. In 2009 Firstbank lost less to fraud than in any recent year, a remarkable achievement in the face of the nationwide trend toward increased card fraud.

THE CHALLENGE

Firstbank Corporation, with more than 40 Firstbank and Keystone Community Bank locations throughout central Michigan, has relied on First Data for years for a full range of ATM services, including the STAR Network—and for new ideas to help streamline operations. So when Firstbank began experiencing an increase in debit card fraud, it naturally turned to First Data for help.

“With debit card fraud, the loss always comes back to the bank,” explains Firstbank Electronic Services Manager Joe Allen. “It seemed like we were taking hits and replacing cards constantly. We needed a better way to monitor transactions and get in front of the problem, and with First Data’s track record in the marketplace, we knew it would be the place to turn for help.”

THE SOLUTION

Firstbank implemented First Data’s Fraud and Risk Premium Package, a comprehensive set of solutions that includes its Fraud and Risk Identification Service (FRIS), FRIS real-time scoring for debit transactions, card validation for PIN transactions and a full suite of card management tools.

“The real-time scoring has been a big help to us,” Allen says. “We’re able to watch a customer’s transactions as they’re happening. If something out of the ordinary starts occurring, we can score that transaction as a higher risk and, if we have to, shut the card off. And we can do it immediately, within 15 or 20 seconds of when we confirm a trend. And not just individual cards. One of the package’s biggest benefits is the ability to shut off states or counties where we’re getting hit by fraud. That’s where we find our biggest savings—being able to stop fraud fast, before it gets a running start on us.”

THE RESULTS

“In 2009 we lost less to fraud than in any recent year,” Allen says. “That’s just amazing when you think of how fraud’s gone up with debit transactions nationally. And there’s no doubt our First Data fraud package is a big reason for that success.

“It’s been a success from a customer-service perspective, too. You’d think it would aggravate customers to have their cards shut off, but actually it’s quite often the opposite. Customers will tell us, ‘I’m glad you’re paying attention to my account.’ They like the fact that we’re monitoring their transactions for them. It’s helping them feel safer. They’re not losing out, and we’re not losing out.

“First Data is always out there helping us. It would be very hard to find another partner that does everything they do for us.”



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– Joe Allen
Electronic Services Manager
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