

Cost of not using standards

Without a persistent drive towards standardisation of protocols, we are limiting innovation in the industry

US EMV migration example

What we are going to talk about



- Me
- History
- Standards
- Technology Religion
- The current situation US EMV Migration
- The costs associated with proprietary protocols
- What we should be doing about it

A little about me



- 21+ years in the retails fuel industry
 - Radiant Systems
 - Dresser Wayne, Wayne Fueling Systems
 - Invenco Group Limited
- Integration, Innovation, Product Design, Commercialisation
- Had the pleasure of working on many continents with many of you around the world

What's changed over the last 40 years



40+ years of device integrations







emvel amazon webservices





All electric cars

Integrated fueling

Internet

Pay at pump



PCI 2,3,4,5+: DSS, PTS, P2PE, etc.

Contactless Payments



XIVILUbiquitous Internet

Touch Interfaces



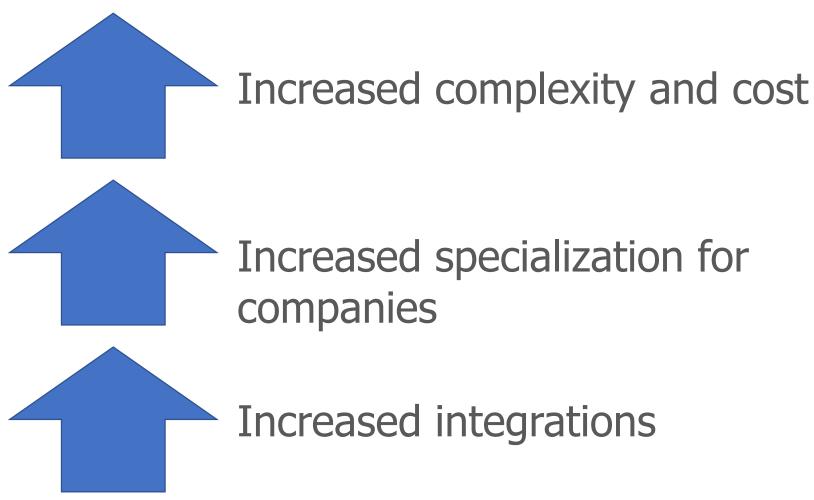
Mobile Phones



The acceleration of change in our industry continues and it drive opportunities for innovation

The result ...





The drive for consolidation and specialization, drives the need for more integration

Standards



"One of the great things about standards is that there are so many to choose from"







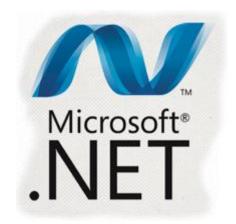
ROLEUM CONVENIENCE ALLIANCE



We have been working on this in a variety of ways, it is time to focus and get to one standard

Technology as a Religion





XML CORBA

JSON

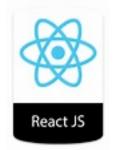


COM/DCOM



Google Developers





SOAP





We need to get past the technology wars and find a common ground on an interface that sustains

The situation / opportunity for OPT



- US OPT/AFD migration dates to EMV for 2020
- Over 1 million devices will need to be updated

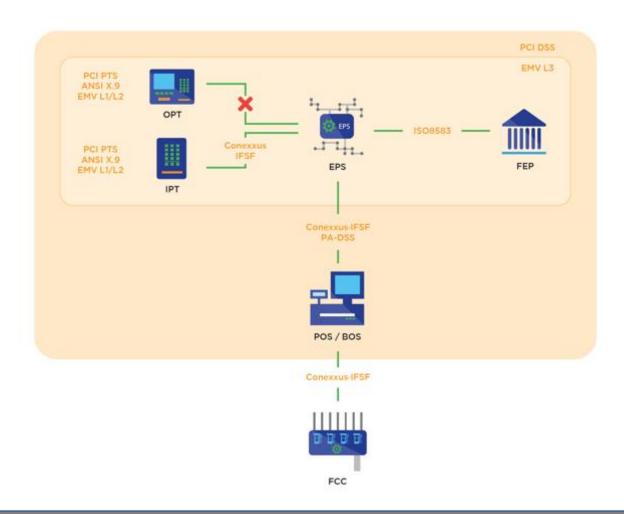
 Multiple OPT vendors, multiple EPS vendors, multiple FEPs



Just one example of many where standardization could save costs and drive more innovation

Standards governing this migration

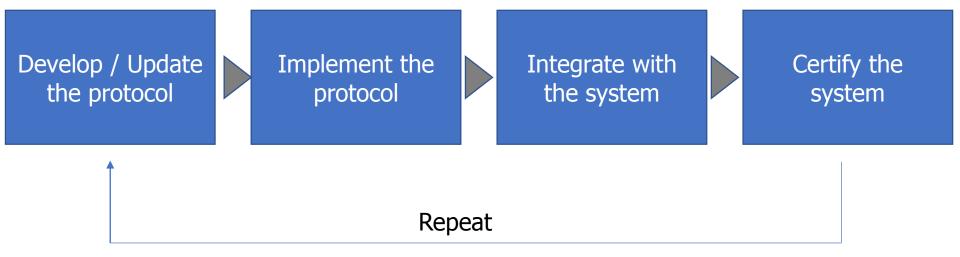




Outside of COPT, very little work has been done to create a single unified OPT protocol – many proprietary ones exist

The protocol cycle





A long cycle, constantly repeating, adding very little value in itself

OPT integration / certification costs



HOW \$1 MILLION TURNS INTO \$65+ MILLION

SCENARIO EXAMPLE

OPT Suppliers: 3 EPS Suppliers: 4

FEPs: 10



While 10s of millions are wasted in this example, this is just a fraction of what the industry is really wasting

The costs of maintaining expertise





This is a significant challenge / cost to suppliers that can be avoided – stop reinventing the wheel!

Opportunity cost to retailers

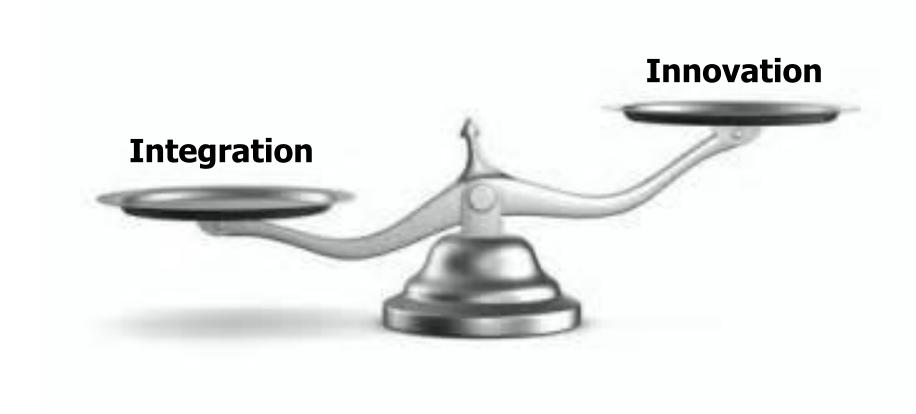


- How many projects are late because of integration?
- How many business opportunities are put on hold because "our vendor" does not support that and it will be customised development?
- How many time do we compromise on features because we can only chose from a single vendor?
- How much opportunity have we lost because suppliers do not integrate easily?
- What could we have accomplished if we had all that time to focus on innovation and true value?

So much time and effort is lost on integration that could drive innovation and real customer value

Innovation

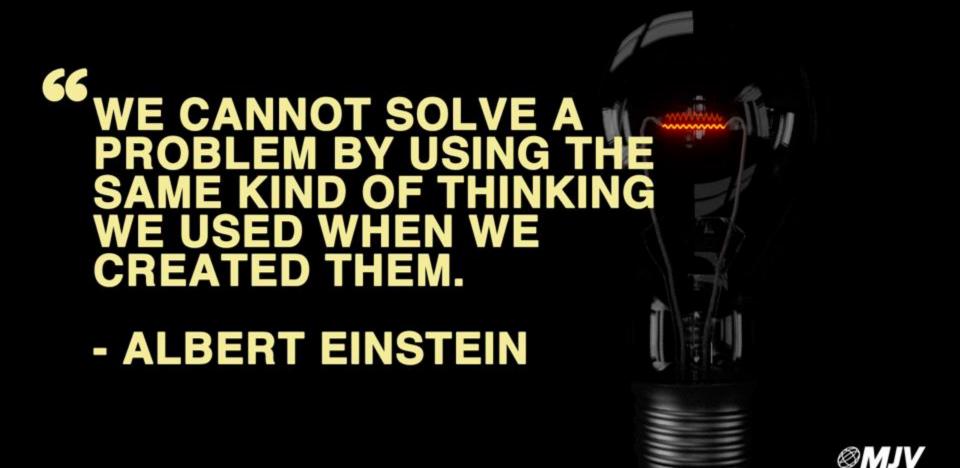




It's time to invest our time and efforts into innovation and lessen the burden of integration on the industry

What should we be doing about this?





What should we be doing about this?



- HTML
- WIFI
- TCP/IP
- FTP
- HTTP
- USB
- SMTP

Etc., etc., etc.

The benefits to industry are obvious for areas where single protocols have been established

What should we be doing about this?



- Conexxus / IFSF get to ONE standard
- Retailers DEMAND that standards are followed
- Suppliers be visible in SUPPORTING / IMPLEMENTING standards

Regardless of how you look at this, it is the retailers in the industry who are burdened with these costs ... in the form of consulting projects, higher product prices, higher support costs.

To lower the costs to the industry and retailers ... to spend more time with innovation, we need a single protocol.

Thank you



Questions?