



USA Technologies, Setomatic Systems Bring NFC-Based Mobile Payment and Loyalty Program to Commercial Laundry Market

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National Mobile Payments, Offers and Loyalty Program with Softcard™ Extends the Benefits of Cashless Payments and Consumer Engagement Services to Multi-Billion Dollar Commercial Laundry Market

MALVERN, Pa.--(BUSINESS WIRE)-- [USA Technologies, Inc.](#) (NASDAQ: USAT), ("USAT"), a leader of wireless, cashless payment and M2M telemetry solutions for small-ticket, self-serve retailing industries, today announced a mobile payments, offers and loyalty program with Softcard™ designed for the multi-billion dollar commercial laundry market. Under the program, consumers using [Setomatic Systems'](#) (Setomatic) new SpyderWash® Elite laundry machines enabled with NFC and SmartTap® mobile commerce technology will receive a 25 percent discount on purchases made with the Softcard app.

By the end of 2015, Setomatic Systems has indicated that more than 25,000 SpyderWash Elite laundry machines, supported by USA Technologies' ePort Connect Service, will support NFC mobile payments. This program, in partnership with Softcard, is the first nationwide mobile payments, offers and loyalty program targeted for what is estimated by Setomatic to be the \$8 billion unattended commercial laundry market.

Setomatic's [SpyderWash®](#) technology is an advanced, wireless payment system that accommodates coin, credit, debit, loyalty cards and NFC-enabled mobile payments. USAT, through its [ePort Connect®](#) Service, is the exclusive provider of comprehensive cashless payment services for Setomatic's SpyderWash system. The Softcard app enables mobile payments at NFC payment terminals using a secure architecture and support for card tokenization while also serving up offers and loyalty programs at locations such as the [SpyderWash®](#) Elite.

"Setomatic is uniquely positioned to bring our customers this exciting and market-leading service that offers our customers a powerful competitive advantage in their marketplace," said Michael Schantz, president of Setomatic Systems. "In partnership with USA Technologies, Setomatic Systems is the first service provider to bring NFC-enabled mobile payments to the laundry market. We anticipate that cashless and mobile payments, combined with loyalty programs such as this exciting national promotion, will raise consumer awareness, increase our customers' revenue, and meet the demand for convenient cashless options in the millions of washers and dryers that make up the commercial laundry industry."

USA Technologies currently has one of the largest NFC-enabled mobile payments acceptance points in the U.S. market today with over 150,000 NFC-equipped merchant locations in the U.S. in locations like schools, universities, laundromats, car washes, malls, office complexes, and theme parks.

The Setomatic mobile payments, offers and loyalty program is an extension of USAT's nationwide rollout of NFC-based mobile payments and loyalty with Softcard that began in 2013. That agreement formed the basis for one of the largest mobile payment rollouts in the U.S. to date, along with our 'Fifth Purchase Free' loyalty program. Today, the Fifth Purchase Free promotion is supported at more than 82,000 locations using USAT's ePort Connect service nationwide and has awarded nearly 100,000 free vends to consumers.

"We are looking forward to rolling out yet another 'industry first' in the area of NFC, mobile-based cashless payments and consumer engagement services," said Michael Lawlor, Sr. VP Sales and Business Development, USA Technologies. "With Softcard's efforts to date in the marketplace and the momentum surrounding NFC-enabled mobile payments, we believe NFC and mobile payments are at an important inflection point. We believe that USAT and partners like Setomatic are well positioned to capitalize on this technology to drive business to their machines. The Softcard mobile payments, offers and loyalty program for our commercial laundry customers adds another layer of value and is a great example of how USAT is keeping its customers and partners at the forefront of technology."

"We believe that the convenience of mobile payments in highly trafficked, everyday locations like this will serve as a catalyst for adoption and usage among consumers," said Mark McKinney, director of business development, Softcard. "We're pleased to work with Setomatic and USA Technologies to pioneer mobile payments in the laundromat market, which is one segment in a much larger commercial laundry market. The commercial laundry market, which also includes multi-housing, consists of what Setomatic estimates to be 6 million machines generating annual revenue of approximately \$8 billion."

The Setomatic mobile payments, offers and loyalty program through Softcard is anticipated to begin in October 2014 and last through calendar 2015. To learn more about the program, contact Setomatic sales at 516-752-8008.

About Setomatic:

Setomatic is a privately owned and operated developer and manufacturer of both open and closed loop card payment systems, drop coin meters and electronic timers for the commercial laundry industry with manufacturing and engineering facilities in California, Florida, New Hampshire, New York and in Israel. Setomatic introduced the first electronic drop coin meter to the commercial laundry market in the U.S. in the early 1980's. Over the years, they have manufactured drop coin meters and electronic timers for major OEMs such as Whirlpool, General Electric, Wascomat and American Dryer. They introduced their first hybrid card system to the commercial laundry market in 1995, which allowed the operator to accept smart cards, credit/debit cards and coins on the same machine. Their follow-up product, SpyderWash® was developed to satisfy the consumers need to pay for their wash and dry with a simple swipe or tap of their credit/debit card or mobile wallet, while giving the operator all the advantages of full web-based reporting. To learn more, visit their website at www.setomaticsystems.com.

About USA Technologies:

USA Technologies is a leader of wireless, cashless payment and M2M telemetry solutions for small-ticket, self-serve retailing industries. ePort

Connect® is the company's flagship service platform, a PCI-compliant, end-to-end suite of cashless payment and telemetry services specially tailored to fit the needs of small ticket, self-service retailing industries. USA Technologies also provides a broad line of cashless acceptance technologies including its NFC-ready ePort® G-series, ePort Mobile™ for customers on the go, and QuickConnect, an API Web service for developers. USA Technologies has been granted 87 patents; and has agreements with Verizon, Visa, Elavon and customers such as Compass, Crane, AMI Entertainment and others. Visit the website at www.usatech.com.

About Softcard:

The joint venture is between AT&T Mobility LLC, T-Mobile USA, Inc. and Verizon Wireless and is based in New York City. The venture is chartered with building Softcard, a national mobile commerce venture that will fundamentally transform how people shop, pay and save. Softcard™ is available to all merchants, banks, payment networks and mobile carriers. Softcard and the associated logos are trademarks of JVL Ventures, LLC in the U.S. and/or other countries. Other logos, product and company names mentioned herein may be the trademarks of their respective owners. For more information visit www.gosoftcard.com.

Forward-looking Statements:

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: All statements other than statements of historical fact included in this release, including without limitation, USAT's anticipated commercial availability and costing of its new generation products, programs, and services, are forward-looking statements. When used in this release, words such as "anticipate", "believe", "estimate", "expect", "intend", and similar expressions, as they relate to USAT or its management, identify forward-looking statements. Such forward-looking statements are based on the beliefs of USAT's management, as well as assumptions made by and information currently available to USAT's management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors, including but not limited to, business, financial market and economic conditions; USAT's ability to accurately predict future market conditions, consumer behavior and levels of cashless usage, especially mobile payment, in the commercial self-serve laundry industry; the ability of USAT to obtain widespread commercial acceptance of its programs and services, including its loyalty programs, and programs such as mobile payment and mobile-based rewards; whether, and to what extent, loyalty programs and mobile-based rewards will result in increased sales; and the possibility that all of the expected benefits from adoption of cashless payment, loyalty programs and mobile-based rewards, will not be realized by all customers, or will not be realized within the expected time period. Readers are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statement made by us in this release speaks only as of the date of this release. Unless required by law, USAT does not undertake to release publicly any revisions to these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events.

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