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USA Technologies Customer, City Vending, Optimizes Cashless Payment for Improved Business Performance, Competitive Edge and Consumer Satisfaction

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 highlighted its customer, [City Vending Co., Inc.](#), ("City Vending") for its effective use of USAT's ePort® and ePort Connect® service for cashless payment and telemetry to drive improved business results. Located in Fort Worth, Texas, City Vending has transitioned from zero to over 300 cashless payment terminals in less than a year and has indicated that it has leveraged USAT's cashless payment and telemetry offerings to drive improved financial performance, customer retention and consumer satisfaction.

City Vending's chief financial officer, Tom Elich, commented, "We believe cashless has contributed to a 20%-30% sales uplift since we first began to deploy cashless payment less than a year ago, with both credit and cash sales up. When you spread that over our cashless machines deployed to date, that equates to well over \$100,000 in new annual revenue for City Vending. I have never been so pleased."

Based on a sampling of 125 machines over a nine month time period, the average credit spend on City Vending's cashless machines is approximately 48% higher than the average cash purchase, which exceeds the [average credit "spend"](#) derived from USAT's [2013 Cashless Knowledge Base](#) (recently released data based on 62,000 terminals over a three month period, January-March 2013). According to City Vending, beyond the immediate benefit to the consumer of being able to purchase multiple products with one cashless transaction, City Vending has used cashless to enhance its product offerings for higher priced products. For example, sales of their energy and other premium drinks have grown by at least 50%.

"Cashless has not only provided City Vending with direct financial benefits, but the consumer satisfaction and customer retention benefits have been overwhelming—to the point where consumers go out of their way to thank us," continued Elich. "Our customers, from business to manufacturing complexes, recognize that and appreciate our proactive approach."

"We have also utilized the strategic opportunities a cashless payment platform can provide to optimize our presence in a number of unique locations, like hotels and bars. For example, in high cash-theft areas, cashless has essentially eliminated that exposure for us. In bar locations, where cash and coin can be limited, we are now contributing more strategically as a business partner by offering more chips, salty snacks and cigarettes. It keeps consumers happy—and in the bar," said Elich.

City Vending is also using VendSys, a certified VMS (vending management system) supplier that participates in USAT's [DEX partner program](#). USAT's DEX Partner Program optimizes customers' use of cashless payment offerings by integrating USAT's wireless DEX and telemetry available through its ePort Connect® service with one of several vending management solutions available in the market today.

"City Vending's experience with USAT's cashless payment platform syncs with the data we are seeing for many of other customers," said Michael K. Lawlor, senior vice president of sales and business development for USAT. "Our recently released [2013 Cashless Knowledge Base](#) showed a [28% increase](#) in average monthly revenues and [23% increase](#) in average monthly transactions for a dataset of approximately 10,000 vending terminals over a twelve month period following deployment of USAT's cashless payment offering."

"We believe our Knowledge Base results, and those of customers like City Vending, should not be overlooked in today's competitive marketplace," continued Lawlor. "Every day, customers are walking away from cash-only acceptance because they don't carry enough cash—and mobile payment will only exacerbate that trend. At the same time, 'coin/cash only' business operators have few tools in their pocket to drive new opportunities. USAT's cashless payment platform can provide that assistance. It's no longer about cash versus credit or debit card acceptance, but about cashless igniting a connection with the consumer that the self-serve, unattended market has never had before."

About City Vending Company, Inc.:

City Vending Company has been serving the Dallas - Fort Worth Metroplex area for nearly 50 years, including Irving, Frisco, Plano, Dallas, Fort Worth, Lewisville, Denton, Arlington, Grand Prairie, Richardson and Weatherford. City Vending offers snack and drink vending machines and services, office coffee services, and refreshments, as well as coin-operated amusement machines, from pool tables and juke boxes and amusements for bar or tavern. To learn more, visit the website at

www.cityvending.net.

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® G8, ePort Mobile™ for customers on the go, and QuickConnect™, an API Web service for developers. USA Technologies has been granted 85 patents; and has agreements with Verizon, Visa, Elavon and major customers such as Compass, Crane, AMI Entertainment and others. Visit the website at www.usatech.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 the anticipated connections to our network, business strategy and the plans and objectives of USAT's management for future operations, 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 the 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; the ability of USAT to use its Knowledge Base to accurately predict future market conditions, consumer behavior and any level of cashless usage for any particular channel or customer; the accuracy of our predictions regarding the extent to which future growth of vending transactions will rely on credit/debit/prepaid transactions in comparison to cash transactions; the possibility that all of the expected benefits from adoption of cashless payment and wireless telemetry, including incremental revenues and profits, will not be realized by all operators, or will not be realized within the expected time period; and whether, and to what extent, new innovations in mobile payment technologies will accelerate a decline in cash transactions and an increase in credit transactions. 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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