

THE LOST INTERVIEW: RAY MANZAREK

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THE KIOSK KING

AS DISPENSARY OWNERS STRUGGLE WITH FINANCIAL SERVICES AND E-COMMERCE ISSUES, PAYTELLER AND JANE CO-FOUNDER JEFF FOSTER IS BETTING THAT HIS REVOLUTIONARY CASH MANAGEMENT KIOSK'S CAN BOOST PROFITS—AND CONFIDENCE.

It's a sweltering day in Boca Raton, Florida, headquarters for Jane, and Jeff Foster has on a black blazer and jeans but, miraculously, isn't even breaking a sweat. He's doing his *mg* magazine photo shoot today and is ready to talk about how Jane's cash management kiosk can, among other things, boost sales at dispensaries. "It's a mess right now," he muses. "Employee theft is rampant, robberies are constant and the cash reconciliation process is too time-consuming." With that, we launch into a conversation about how Jane can solve these problems.

You've been in the e-commerce and retail payment business for over 15 years. You've just entered the cannabis industry. What was your thinking here?

We were already in the kiosk business, with Payteller, distributing machines that provide a variety of services to people who need to or prefer to pay their bills with cash. As for entering the cannabis industry, my wife was out of town and I wound up watching five documentaries about the cannabis business in a row. One after the next showed dispensary owners being shut down, raided, arrested for

selling to patients without a recommendation, for underreporting income, for laundering money, etc. And the dispensary owners were complaining about employee theft and security concerns because of the "all cash" nature of the business. So I thought, "We can solve all these problems with our kiosks!" The following Monday I started calling anyone I could get in touch with in the cannabis business and our team spent the next several months getting a deep understanding of the challenges dispensary owners face.

Walk us through how the kiosk works.

There are five key things the kiosk does that are incredibly valuable to every dispensary. First, it gives complete control of the business's cash management to the dispensary owner—eliminating employee theft, human error and the possibility of underreporting income, laundering money, etc.

Second, Jane integrates with the dispensaries point of sale and seed to sale tracking systems, ensuring every transaction meets the standards of the state and local government. We're currently integrated with Adilas, Proteus420 and MJ Freeway, and are in talks with most of the other providers, which gives us access to the vast majority of dispensaries.

Third, we provide real-time reporting which gives dispensary owners access to the data and metrics they need to better manage their business—while also promoting responsible banking behavior for when banking and credits cards do enter the market. Fourth, we arrange for cash collection, storage and vendor payment delivery with our armored transport partner, eliminating many of the safety and security issues for the dispensary.

Finally, today's consumer is demanding not only greater convenience but also more control over their shopping experience and the self-service kiosk provides both. We even provide a mobile app, integrated with the kiosk, which allows on-the-go consumers to reserve products.

What is the current state of cash management in the cannabis industry?

It's a mess! Employee theft is rampant. Many of the dispensary owners we talk to say it's as high as 10% of sales. Robberies are a constant threat. The cash reconciliation process is time-consuming and susceptible to human error. But the biggest issue is it's almost impossible to run a multi-million dollar business with all *cash*!

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Jeff Foster with Jane co-founder Yves Yon and CEO David Ellerstein


Where do the federal banks stand right now on working with cannabis retailers?

All of the banks we are in discussions with right now are state-chartered. There is too much heat right now for the federal banks to jump in given that cannabis is still a Schedule 1 drug and selling it is a felony. The Bank Secrecy Act prevents banks from taking deposits known to be a result of a crime so until cannabis is rescheduled I don't see much chance of anyone with a federal charter getting involved. I do believe, however, it will eventually happen. There is too much momentum and popular acceptance to put the genie back in the bottle. So it's important for cannabis retailers to start preparing now for when it does.

What are the costs for the kiosk?

There is no cost for the equipment. We install at least two kiosks at every location, more if needed due to volume. Once they are installed we charge a percentage of sales for processing the transactions, much the same as Visa and MasterCard. The dispensary also gets its own assigned Jane Brand Ambassador, 24/7 technical and administrative support, our integrated Jane App and all software and platform upgrades at no additional cost.

What's your vision for Jane moving forward?

Our vision is to have a Jane kiosk in every medical and recreational dispensary in America. 

FOR MORE INFORMATION VISIT: TrustJane.com

Jeff Foster

For the past 17 years, Jeff Foster has worked with some of the world's largest retailers and financial institutions to define, design and implement e-commerce payment solutions.



1998

In 1998, Foster co-founded Reston, VA-based Paymentplus, Inc., a payment gateway software company targeting large card-not-present retailers. Paymentplus' customers included Wal-Mart, Prudential Insurance, Verizon Wireless, Netflix, XO Communications and over 80 others.

2002

In 2002, Foster and his co-founder, Matt Wixson, sold the company to Retail Decisions (ReD), a London-based, publicly held company specializing in e-commerce solutions for large retailers, telecommunications companies and financial institutions such as Google, the Royal Bank of Canada, JP Morgan Chase and FedEx.

2006

After leaving ReD in 2006, Foster founded Payventures, which specializes in the implementation of acquiring and foreign exchange solutions for online merchants globally. Payventures currently processes over \$100 million per month in 39 countries on behalf of its customers, who include Ramada Plaza Resorts, Caribbean Cruise Lines, wine.com, Tracfone Wireless and over 200 others.

2010

In 2010, Foster founded Cardplatforms, which specializes in the design, launch, marketing, and ongoing support for pre-paid reloadable (Visa and MasterCard) debit card programs. Cardplatforms issues cards in the US, Latin America, the Caribbean, Europe and Southeast Asia.

2012

In 2012, Foster co-founded Payteller, a leader in the self-service financial services kiosk business, offering products and services to maximize revenue, profit and loyalty with prepaid cellular top up, international long distance, bill payment, card issuing, prepaid card loads, money transfer, virtual gift cards and more.