

CATHAY BUSINESS CONNECT

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EXECUTIVE'S CORNER

Growing Your Business

We have entered into 2015 with renewed passion and zeal to help you grow your business. This year we will continue to live our mission: To inspire and support the success of a community of business owners and executives like you. From forecasts to cash flow management, expansion opportunities to business strategy, Cathay Bank is here with the tools, resources and experience to help you be prepared for what's ahead.

If your business accepts in-person credit and debit card payments, time is ticking away to upgrade to EMV card terminals. Learn about these new requirements and how to take action on page 3. Shopping for a company credit card to enhance your day-to-day business needs? Take a few moments to consider key features and management tips in how to "Choose the best credit card for your company" on page 2. If you're interested in expansion possibilities, read up on what to consider on page 4.

In today's digital world, maximizing your local online search is a critical component of business exposure. Make sure potential customers can find your business in "Stay top of mind with customers." For market knowledge and business support you can count on, turn to Cathay Bank for small business and commercial solutions fit for your busy life.

Mr. Irwin Wong
Senior Executive Vice President,
Chief Retail Administration
and Regulatory Affairs Officer



STAY TOP-OF-MIND WITH CUSTOMERS

Optimize for Local Search

Americans today spend a lot of time online socializing, playing games, reading the news, working or just killing time. Increasingly, that's where consumers are also connecting with your business. And while your website is important, making sure it's easy for local consumers to find online is crucial.

For small businesses, understanding local search behavior may be the key to being found. An estimated 4 in 5 consumers conduct local searches to find information about nearby businesses,* especially their locations and directions, hours, phone numbers and product availability. From there, half of these consumers visit the store within 24 hours, and 18 percent make a purchase.*

So how can your small business best capitalize on local search traffic? These tips may help.

LOCAL SEARCH OPTIMIZATION DONE RIGHT

Give them what they want. Make sure your address, phone number and hours appear prominently on your homepage and every internal page. Provide a simple way to find directions. If appropriate, consider developing a tool to help visitors see your product availability.

Claim and update local listings. Claim your business's local listing from top websites, including Google, Bing, Yahoo, Yelp, YP and Facebook. Then correct any inaccurate information. You may also need to eliminate duplicate pages. Once you've claimed your pages, you can add information that will help attract potential customers, such as photos and your website URL.

Optimize your site for mobile users. An estimated 88 percent of local search traffic comes from smartphones, so it's essential to ensure your site renders well on a small screen. A responsive website design automatically optimizes the page content for whatever size screen is being used, but it can be an expensive upgrade. Creating mobile-optimized landing pages for highly searched content could be a less expensive alternative.

Highlight individual locations. If your business has multiple locations, consider creating an individual page for each one. This helps search engines serve up information about the location most relevant to the consumer.

Keeping up with current search trends and consumer behavior is key to staying top-of-mind with current and potential customers. As your business makes the necessary adjustments, know that Cathay Bank is here to help. A business credit card or line of credit can give you the flexibility to make quick buying decisions to keep your marketing efforts well-targeted. Contact your Cathay Bank Account Officer to find out more.

* Source: "Understanding Consumers' Local Search Behavior," think with Google research study, May 2014.



CATHAY BANK

To learn more about how to choose the right card for your business and the solutions offered by Cathay Bank, contact your Cathay Bank Account Officer or visit your nearest branch today.



Choose the Best Credit Card for Your Company

A company credit card is a powerful tool in your day-to-day business, so it's important to select one that fits your needs. Consider these features as you shop around:

 **Rate.** If you pay off your balance every month, other card features – such as rewards and fees – may be more important than securing the lowest rate. But for those who maintain a balance, a low rate can lead to cost savings.

 **Fees.** Look out for annual, over-the-limit, late payment and additional card fees. These fees vary from card to card, and may be negotiable. It can pay to select a card with as few fees as possible, or ask if the advertised fees can be lowered.

 **Rewards.** Cards may offer cash back or points toward airline or other travel, merchandise, etc. But rewards cards typically come with a cost – higher interest rates than non-rewards cards. If you typically carry a balance, you may be better off choosing a lower-rate, non-rewards card. Consider the type of rewards offered, as well. A card that gives you a choice of rewards may be a better bet for your business.

 **Fraud protection.** Most cards offer zero-liability policies – confirm that the card you're considering does, too.

 **Online access.** Will you be able to cancel a card, pay the bill or request new cards online? Managing your card online can save you time and potential headaches.

 **Travel features.** If card users travel abroad often, pay close attention to the foreign transaction fee. Card issuers may charge between 1 percent and 3 percent, so choosing a low-fee issuer can make a big difference. For those who travel closer to home, consider a card that offers features such as auto rental insurance coverage, concierge services, flight insurance and baggage delay coverage.

Don't Let Fraud Liability Fall on You

TIME IS RUNNING SHORT TO UPGRADE CARD TERMINALS

If your business accepts in-person credit and debit card payments from customers, have you made the switch to EMV terminals yet? A big change is coming in October, and using EMV (which stands for Europay, MasterCard, Visa) terminals will protect you from liability for counterfeit fraud, should it occur in any of your card transactions.

Effective Oct. 1, 2015, Visa and MasterCard will no longer bear the liability for fraud unless the counterfeit transaction takes place with an EMV chip card at an EMV terminal.* Instead, the liability will fall on either the merchant or on the issuer of the card, if it's not an EMV chip card (sometimes called a smart chip card). The new policy assigns liability for counterfeit fraud to the party that has not made the investment in EMV chip cards (issuers) or terminals (merchants).

Other areas of the world, including Europe, Asia, Canada and Mexico, have been using cards with embedded microchips for years, but adoption of the technology has begun more recently in the United States. Countries where EMV technology has been employed have seen significant reductions in fraudulent transactions. The EMV technology offers superior protection against fraud because the chip generates a different, single-use code for every transaction. Chip technology greatly reduces a criminal's ability to use stolen payment card data by introducing dynamic values for each transaction.

WHAT IT MEANS FOR YOU

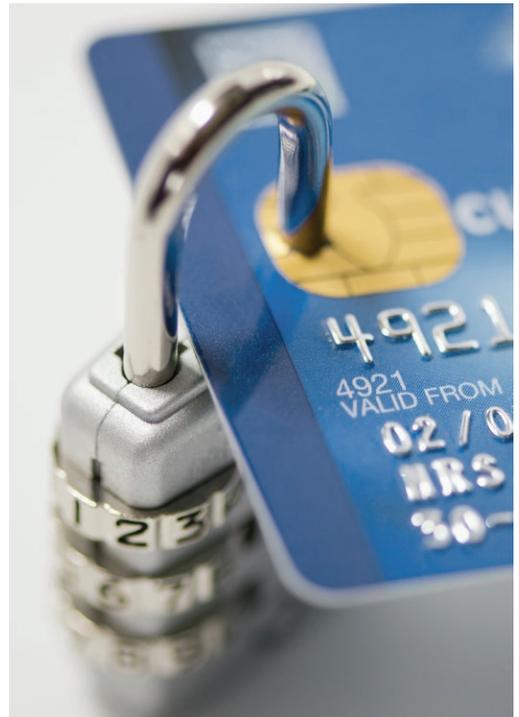
Many merchants already have terminals with a slot for chip card acceptance, but it may not be activated. In that scenario, you may need only a minor software download from your payment card processor, and your costs may be minimal. Other businesses may need new terminals, which may cost a few hundred dollars. If purchasing new terminals is too costly, you might consider leasing the equipment. When thinking about costs, it's important to consider the potential cost of counterfeit fraud if you don't invest in EMV technology.

EMV terminals require more frequent updates to software and EMV-specific parameters than do traditional terminals. For merchants with multiple locations, it's usually worth the initial investment to purchase centralized terminal management software that allows you to update terminals remotely. It can help you prepare for continued EMV maintenance requirements and enhancements, particularly as innovation continues in the market.

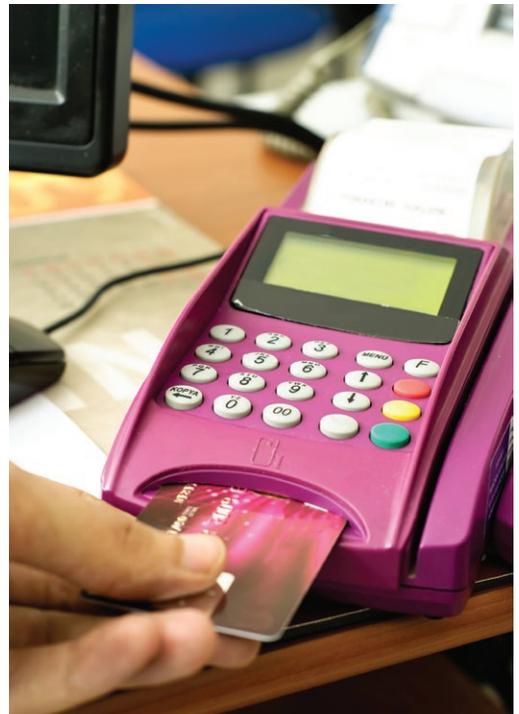
* An exception is made for automated fuel dispensers (AFDs). The shift in liability for transactions at AFDs will occur Oct. 1, 2017.

Take Action to Protect Your Business

Contact the experts in merchant services at Cathay Bank for answers to your questions about EMV technology and how it will help protect your business. We can get you ready for the Oct. 1 deadline! Call us at **1-800-922-8429** to learn about the details.



The Payment Security Task Force expects that 575 million payment cards will be EMV-compliant by the end of 2015.



These "lucky dates" are provided for entertainment purposes only. The "lucky dates" were provided to us by a third-party source unrelated to Cathay Bank and derived mainly from the Bai He Ming Almanac, and other sources including the Internet and the Tung Shing. Cathay Bank does not endorse, sponsor or guarantee the use of this information, and makes no warranty or representation regarding the accuracy, reliability or results that may be obtained from the use of this information.

OPENING A BUSINESS	Days Suitable for...	Days Unsuitable for...
January	1, 8, 11, 14, 15, 20	2, 4, 17, 18, 19, 22, 24, 26, 29, 30, 31
February	1, 8, 11, 17, 26	3, 12, 13, 14, 16, 21, 24, 28
March	1, 4, 11, 12, 16, 18, 30	5, 14, 19, 21, 26, 31
SIGNING CONTRACTS	Days Suitable for...	Days Unsuitable for...
January	1, 8, 11, 12, 14, 15, 20, 24, 27	18
February	1, 7, 8, 17, 19	(none)
March	11, 12, 15, 16, 18, 23, 25, 27, 28, 30, 3	21, 26
TRAVEL	Days Suitable for...	Days Unsuitable for...
January	1, 4, 8, 15, 18, 27	5, 6, 17, 25, 26, 29
February	4, 8, 9, 11, 17, 20, 24, 26, 28	5, 18, 19
March	1, 4, 11, 16, 20, 21, 26, 28	6, 15, 18

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Expansion Plans? Look to Cathay Bank for Funding

There are plenty of ways a small business can grow, such as expanding product and service lines or entering new markets. But sometimes just duplicating a successful operation by opening another location is the simplest approach.

If you're thinking of adding one or more locations, be sure to do your homework before making a move. Finding answers to these questions can help you determine if this will be a positive step for your company.

KEY QUESTIONS

- If yours is a business-to-business firm, do you have existing clients in the area where you're considering opening a new space?
- If you sell to consumers, is there a demand for your products or services in the area you're thinking of expanding to? Consider the area's demographics, economy, competitors and costs to do business, including hiring local employees.
- Have you assessed the policies and procedures that make your business a success? In order to replicate them at a new location, they'll need to be clearly expressed.



Contact your Account Officer
or visit your nearest Cathay Bank
branch to learn more today!

- Will you be able to adequately monitor the performance of employees at all locations and ensure that they all understand and implement the company's values?
- How will you finance the new location? A business banker at Cathay Bank may be able to help you answer this question. We have money to lend, and we'll take the time to understand your business's needs so we can find a solution that works for you.