

# RFID Lands a Role on Broadway

Visa USA has helped the Nederlander Organization's New York City theaters accept RFID-enabled payment cards.

By Mary Catherine O'Connor

Jan. 25, 2007—Any experienced bartender or cocktail waitress has had to deal with a big rush of thirsty patrons, but how does one go about serving a 1,600-seat theater during a 15-minute intermission? That kind of rush can really test a server's mettle—not to mention patrons' patience—but it's something the concessions staff faces with each Broadway production of *The Lion King* at the Minskoff Theater on West 44th Street, just off Times Square.

The theater, along with eight other Broadway venues, hopes RFID technology will help shorten wait times and enable staff members to serve more theatergoers, more quickly. The Nederlander Organization, which owns and operates the theaters, has partnered with Visa USA to upgrade the cash-only concession stands to electronic payment systems able to accept both conventional magnetic-stripe and contactless (RFID-enabled) credit and debit cards with the Visa logo.

The transition to electronic and RFID-enabled payments acceptance is part of a broader effort to make a theater visit a more pleasant experience, explains Susan Lee, chief marketing officer for the Nederlander Organization. "We are looking at everything, and going one step at a time to try to modernize each piece of the puzzle that makes up our patrons' experience, so that over time, we can start to improve it," she explains. (Other improvements include spill-proof beverage cups and large plasma screens in theater lobbies, enabling latecomers or parents with fussy children to watch the action on stage.)

"A theater door traditionally opens 30 minutes before the curtain [rises]," says Lee. This, combined with a 15-minute intermission—most shows have just one, while some have none—allows the concessionaire a very narrow window of operation.

Accepting credit and debit cards is the first step toward improving the speed of service at a theater, explains Elvira Swanson, director of corporate relations for Visa USA. Studies show that making a payment with a credit or debit card is 25 percent faster than using cash—and that waving an RFID-enabled card in front of a payment terminal, rather than swiping a magnetic-stripe card, cuts even more time off single transactions, which adds up to a higher customer throughput. What's more, most merchants now accept both cash and card-based payments, and many consumers find making electronic payments more convenient than having cash on hand.

"People are carrying less cash than they used to," says Lee. "Visa came to us and said, 'Look at how the world is changing; look at this technology that is available.'"

To that end, Visa worked with Santa Ana, Calif., electronic payment terminal provider ExaDigm to outfit the theaters with the equipment necessary to process both magnetic-stripe and contactless transactions. Nederlander sought a mobile solution since wait staff take drink orders by walking around lounge areas. Each

staffer carries an ExaDigm XD2000 mobile payment terminal, which fits into a harness worn over the shoulder. The unit contains an integrated magnetic-stripe reader and supports an external RFID interrogator; the one used at the Nederlander theaters, for instance, is manufactured by ViVOtech. The interrogator fits on the harness, and patrons can wave their contactless cards in front of it to initiate a transaction. The ExaDigm device uses a Wi-Fi connection to communicate with a payment-processing system. Transactions under \$25 do not require a patron's signature.

RELATED\_ARTICLES Swanson says staffers at the Minskoff, Brooks Atkinson, Lunt-Fontanne, Neil Simon and Richard Rodgers theaters have all been using the payment terminals to accept mag-stripe and contactless payments for the past few weeks. Visa is hosting a promotional event at the Minskoff theater tonight, in fact, officially launching the payment platform. Other Nederlander-owned properties—the Gershwin, Marquis, Nederlander and Palace theaters—will all be outfitted with the electronic payment systems in the coming months.

According to Lee, the five Nederlander theaters accepting electronic payments are currently only taking Visa-branded payment cards. However, they will eventually also accept MasterCard and American Express cards.

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