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PayKey USA Plans NAMA Expo Rollout Of 'SchoolVend' System Enabling Parents To Restrict Student Purchases



GREENVILLE, SC — Slated for formal introduction at the NAMA National Expo in Atlanta is "Schoolvend," an intelligent cashless payment system that allows parents to control the purchases made by their children at school vending machines. It will be demonstrated in Booth 118 at the Expo.

PayKey USA president Alex Kiriakides noted that just about every state now has enacted laws and/or regulations that specify what foods and beverage can and cannot be sold in schools. In extreme cases, these virtually require the elimination of vending machines, regardless of the menu.

"Our research indicates that the current legislative situation benefits no one," Kiriakides observed. "The schools lose commissions, vending operators lose accounts, and the students lose the opportunity to purchase their favorite items." Ultimately, both schools and parents lose their ability simply to control vending sales.

To address this problem, PayKey USA has formed a separate organization, Controlvend Inc., to manage the new "Schoolvend" product. "Schoolvend" technology has been tested on Crane Merchandising Systems and Dixie-Narco vending machines, and it is expected to integrate smoothly into most modern equipment that complies with the multi-drop bus (MDB) standard.

The payment medium is, in fact, a "Paykey," an intelligent device built into a tough plastic fob or "key" that can be carried on a key chain. The key to the "Schoolvend" system is a secure website at which parents can add value to their children's "Paykeys," while at the same time programming permissions onto the device so

it only can be used to purchase products of which the parent approves.

A school or school district adopting the system will set up a "permission grid," a planogram, for display and interaction on the "Schoolvend" website. Parents then visit the website, log onto their children's school page, and simply click on the categories that they will allow their children to purchase.

For example, the grid for a snack machine might display low-carbohydrate, low fat, low sugar, "organic" and conventional snacks. A drink vender grid might allow parents to permit the purchase of water and juice, but prevent the purchase of carbonated drinks.

Parents also can choose to specify the number of items that a child can purchase during a period of time.

With the permissions programmed, the parent then adds a credit amount to the child's "SchoolVend" account. That sum is billed to the purchaser's credit card.

The child brings his or her "Paykey" to school and plugs it into a PC-equipped "Paykey" base reader terminal. The terminal reads the permissions for that specific key from the website and configures the key for use.

Kiriakides explained that each subscribing jurisdiction can decide how to allocate the site maintenance fee; it can be paid by the school, the product supplier, the operator, the parents, or the school or school district.

"We plan to approach school districts, officials and product suppliers in the near future, and select partners for the first beta tests of 'Schoolvend,'" Kiriakides told VT. "We

hope to be ready for any number of interested schools by the summer of 2006, and fully operational for the next school year."

PayKey introduced its payment system to the United States market in the fall of 2002. Kiriakides reported that, in the ensuing three years, nearly 50 operations in the United States and Canada have adopted the "Paykey" cashless media.

"We think our new Controlvend division has the potential to significantly impact the vending industry," he added. "We are hopeful that by utilizing cashless technology, 'Schoolvend' will be able to put parents and schools in charge of vending choices." This, he said, can go a long way toward alleviating concern over the perceived link between unrestricted access to vendible products and increasing childhood obesity.

PayKey USA products now are distributed nationally by most major vending machine manufacturers. Information on the system may be had by calling the company at (864) 527-4408; paykeytech.com.



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