

## Case Study of Two Credit Unions Implementing a Paper Statement Fee



### Overview

Many credit unions are struggling to find ways to cut operating costs and increase income. Two Sharetec credit unions are using a strategy that other financial institutions have implemented to increase their penetration of **eStatements**, and increase income as well.

Brian Blaszak, President of Synergy Partners Credit Union remarks, "Advertising our \$2.00 per statement fee in our quarterly newsletter and other member documents to get members to sign up for eStatements has been very successful. This has brought us a decent amount of monthly savings from not spending on postage and paper, as well as the additional earned income. Roughly a \$25,000 increase in income this year."

Thom Ewen, President of Illinois State Credit Union also has great success with charging members a small \$2.00 fee per statement when sending through the mail. "Not only has our postage and paper printing expenses dropped drastically, but we are earning over \$2,000 per month in additional income. We do give exceptions for hardships, mostly when members complain adamantly, as well as excluding seniors."

"It is very common to receive electronic statements and bills. These credit unions are creating the paper statement fee in order to *change behavior*. Offering a free eStatement helps most members switch off paper, and the strategy has shown to be very successful in offering a better solution while lowering the credit union costs," comments Matt Isger, Regional Director for Sharetec System.

### About

Synergy Partners CU has 2,100 members and \$13m in assets located in Chicago, IL. Illinois State CU has 12,500 members and \$110m in assets located in Normal, IL.

### Problem

Many members don't look at their statements, but it still costs credit unions about \$.75 per statement all together to get it to the member.

### Solution

Offer eStatements for free and charge a small fee if the member chooses to receive paper statements.

### Benefit

- Members receive statements faster
- More Secure
- Credit union increases income
- Credit union decreases expenses

### Results

- Synergy Partners CU income went up \$1,500 - \$2,000 per month
- Illinois State CU income went up \$2,000 per month