

Image Capture as Enabler

Capturing a high-quality image at the branch can improve service and reduce fraud



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It's said, "A picture is worth a thousand words."

While it may be hard to quantify a thousand words, a high-quality image of a photo identification card captured at the branch has a lot of value.

Here's just a few ways banks and credit unions can benefit from image capture at the branch:

- Allows the branch employee to confirm that the customer or member's identification matches the person in front of them without asking them to dig into their wallet, retrieve it and present their photo ID to verify their identity.
- Provides an opportunity for the branch employee to engage with the customer or member if the identification has expired.
- Enables a bank or credit union to use subscription services to validate that a photo identification isn't fake or stolen.

This all starts with the image.

Whether a driver's license, a U.S. military identification card, a college identification card or any other photo identification card, a high resolution, 600 DPI image of both sides of the identification card can enable banks and credit unions to improve service and, with additional software, combat further fraud.

Image enabled: promote better service and engagement at the branch

Consider a typical branch scenario. A customer approaches the teller to cash a check. The teller asks to see the customer's driver's license for identification. The customer has forgotten their wallet in the car, so they exit the branch to retrieve their wallet and present the license when they return. The teller verifies that the photo on the license matches the customer and cashes the check.

All seems good—except that the customer is annoyed that they had to go back to their car. They've been to this branch before, but the teller was new and didn't recognize them.

Imagine what a different experience the customer would have had if the teller was able to view an already uploaded image of the driver's license online as they accessed the customer's account information.

Once scanned and captured, an image can be easily attached to the customer or member record—for free—using a ubiquitous TWAIN connection. Not only does the image appear along with the record, but when the identification card expires, the branch employee can be prompted to ask the customer or member to update their identification.



The prompt also provides an opportunity for the branch employee to verify other personal information such as address and phone number. If customers or members visit a branch after a bank or credit union implements the imaging device, the branch employee can simply ask to scan their photo ID during that visit.

Image enabled: help reduce fraud

A high-quality image can also fuel fraud prevention.

Here's a totally different scenario. A person enters the branch to cash a check and presents a legitimate-looking driver's license as identification. The person doesn't exactly look like their photo, but the photo is not very recent. The teller believes the photo is close enough and cashes the check.

The driver's license is stolen.

And another: A prospective customer enters the branch to apply for a personal loan. The branch employee reviews the state ID card presented as identification, and it's clear that the photo matches the person sitting across from them at the desk. The employee opens the account.

The state ID is fraudulent.

Validating identity combats rising identity fraud

Fake identification cards are increasingly coveted by those trying to break the law. And there's lots of ways criminals can get a fake or stolen driver's license or other form of photo identification.

A simple Google search will turn up dozens of online storefronts to secure a "fake" ID. Or thieves will steal photo IDs that are mailed to drivers.

Criminal networks are finding new ways to access identity information, such as taking

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advantage of data breaches on organizations that capture driver's license information and then using that information to open bank accounts, cash checks, and other nefarious activities.

Says Eva Velasquez, President and CEO of the non-profit Identity Resource Center, “Just think about everything you do using your driver's license to prove that you are you. A thief can do it as well.”¹

Financial institutions have an important role to play in catching identity fraud at the teller line. Indeed, 27% of identity theft victims discovered the theft when their financial institution contacted them, the most of any other method of detection.²

And finally, Know Your Customer (KYC) and Anti-Money Laundering (AML) requirements are becoming stricter. A device that captures a high-quality image and uses third-party software to verify photo identification cards provides a simple, cost-effective, and non-invasive method to comply with regulations.

Cost-effective image capture in a single device

Imagine instead that every branch employee had a multi-function device at the teller that could capture a high-quality, two-sided image of an identification card. With a multifunction device, branch employees can also scan checks, print cashier's checks, and print receipts.

There's no need to purchase an additional image capture device, helping reduce costs and freeing up the branch employee's workspace by consolidating devices.

With additional software, the bank or credit union can link the photo identification to all customer or member accounts so the branch employee can view all the accounts associated with that identification. This presents a perfect opportunity for the branch employee to



In the News: Fraudulent IDs Used to Steal Funds

A federal court in Boston recently sentenced a former bank teller for fraudulent stealing cash and checks from customer accounts using fake identification. The teller was part of a larger scheme in which individuals were paid to go into banks with falsified identification documents and request withdrawals in the names of bank customers. Tellers were also recruited to accept the fake IDs. The funds were negotiated through accounts at other financial institutions that had been opened in the name of fake businesses.³

cross-sell additional products and services.

Identity verification in the branch powered by image captured can also combat fraud by quickly identifying fraudulent or stolen photo IDs or those linked to suspicious activity. There's a number of third-party identity verification services that add value to an image of an identification card. For example, as soon as the branch employee scans a driver's license, software can verify that it is a valid ID from the issuing entity such as the state of New York or Illinois.

If the software cannot authorize the issuing entity, the license is rejected. The software can also determine if the license was reported stolen or if the identity has been flagged for suspicious activity in the past, identifying criminals before they can commit any additional fraudulent activity.

It's an inexpensive investment in fraud protection.

In addition, from a high-quality image, there are software services that can extract the personal information such as name and address from the photo ID and automatically populate data fields in the institution's systems of choice such as their CRM or branch banking system. When used during account opening, the branch employee doesn't need to manually enter this data. There's little chance for data entry errors and account opening time is reduced.

There are a wide variety of Epson partners that add value to the high-resolution captured images. For example, AssureID™ from GBG Idology, uses the high-resolution image to identify fraud during the customers' or members' lifecycle, including preventing account takeover, high value transactions, account transfers, and PIN resets, to name a few.

Another Epson partner, Incode, provides verification solutions that use a high-resolution image captured by the Epson device to review and verify document authenticity. With Incode, customers or members will not have the upsetting experience of learning that their savings account has been closed and their money is gone.

Whether it's improving customer or member service, providing opportunities for branch employees to engage with customers or members, or reducing fraud, it all starts with a high-quality image captured at the branch.

About Epson

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Epson is dedicated to meeting the ever-growing changes and demands within the financial sector to accurately adapt to the needs of its customers taking place in today's ever changing financial climate. Epson's financial technologies allow enterprises to process transactions securely and quickly, while maintaining operational stability and adhering to evolving regulations in the financial sector. Epson multifunction teller devices combine printing and scanning processes, providing optimal efficiency while taking up minimal counter space. Additionally, from printers to projectors, Epson's innovative products offer outstanding value, results and a better bottom line.

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¹ <https://www.aarp.org/money/scams-fraud/info-2023/drivers-license-theft.html>

² <https://bjs.ojp.gov/document/vit21.pdf>

³ <https://www.justice.gov/usao-ma/pr/former-bank-teller-sentenced-role-bank-fraud-conspiracy>