

From: Glenn
Sent: Thursday, 23 February 2012 9:48 AM
To: CCAAC
Subject: gift card response

Thank you for sending the email notification regarding gift cards.
Below are some thoughts on the matter.

After operating a small family business for 30 years, the issue of gift cards is something of interest to me as a business person and as a consumer.

1. If a gift card is purchased for the same face value as the gift card, then this gift card should be treated as CASH. **Cash does not expire**, it simply loses value over time due to inflation. If the seller of the gift card wishes the end user to utilize this cash card within a certain time frame (probably to increase sales) then they should **add an incentive** to the card to encourage the user to act within a certain time frame, otherwise the cash value is the same as at the time of purchase for use **at any time**.

2. Lost or stolen cards. As a '**cash card**' as with cash itself, if you lose cash then it is gone for good. So too should be the ruling for a cash card.

Business optional suggestion;

A business selling a cash card could offer a **personal ID registration number** as a means of keeping track of purchases of 'cash card' sales. This would be a stronger incentive for a purchaser to purchase from a store that keeps a record. So if the card is **lost** (stolen voids the cards if it has been used before the store has been notified to place the rego number on a stolen list- just like a credit card has) then the 'cash' that was purchased on the card should be available to the holder via the ID rego.

3. If a gift card is offered for an amount of cash that is greater than the amount paid- for example, buy a gift card this month and we will double it's value (conditions apply). So for example a gift card is purchased for \$20, then according to the conditions of purchase, if it is used within a specified (reasonable) time frame, then they receive double the value. After the week or so expiry date for this **bonus offer**, the card reverts back to its **purchased face value**.

4. Another situation that is common is where a gift card is purchased at a reduced price. For example a photography session gift card is firstly a **specific card for a specific item** (slightly different to the normal gift cards which allow the holder to purchase whatever they want) and it may be a photography session of \$150 value, but it has been offered as a gift card/certificate for say... \$65. In this situation, an expiry date of six months may be typical, after that time, should the holder wish to use this card then they will be required to pay the difference between the purchase price and whatever the current value of that specific photography session is at the time of using the card/certificate. The card may allow for use on any special offers, so if the rate of this session is reduced at some stage, then the card can be used without paying too much extra or without paying anything extra.

5. **Cash balance** on cards. Cash is cash. If a card is used and money is left remaining on that card, it should be accessible at any time for as long as you hold the card. Cash refunds should NOT be encouraged and may be left to the discretion of the owner/manager on an individual basis. I would suggest that a credit remains for an indefinite period. It then serves to encourage the holder to return to the store for a future purchase.

6. Terms, conditions, expiry date of special offer or discount should be either on the card itself or on the paperwork that comes with the card and is kept in a safe and separate place with a rego ID number in case of theft or loss. Ideally all conditions should be on the card AND on the attached paperwork which is to be kept separate. This gives everyone a **Fair go!**

The main point I would raise on the issue of Gift Cards is, if the amount paid in cash is the same as the cards value, then it should be treated as CASH and **never expire**.

Thank you for the opportunity to have a say.

Glenn Wilson cpp
owner of Glenn Wilson Studios.