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After the Meal, the Credit Card Scanner Is Served

By Florence Fabricant

The waiter gives you the bill. You check it and then, right at the table, you swipe your credit card in a portable device. A receipt pops out, you sign it, and you are on your way.

These wireless handheld devices, which save time and are meant to cut down on fraud, have been used in European restaurants for the past 10 years. They were introduced in the United States about two years ago, and they are just inching into use.

In New York next month, Vento Trattoria, part of the B.R. Guest restaurant group, will install a system for processing credit cards at the table. It will be a pilot program, but the company's president, Stephen Hanson, is eager to have it in place.

"Ninety percent of my business is credit cards, and processing them takes too many steps," he said. "Even if it costs money up front you'd save time and motion."

The devices look like calculators and are similar to the credit card gadgets at supermarket checkout counters. They are made by several companies, including VeriFone in San Jose, Calif., whose systems and equipment for credit card transactions are in many American restaurants.

Another company, Cyndigo, based in Fullerton, Calif., has developed a portable credit card scanner not much larger than a BlackBerry that fits neatly into a restaurant check holder.

Grant Drummond, the director of marketing communications for Ingenico in Toronto, which has been selling the systems in Europe and Canada, said that about 2,000 American restaurants are now using his company's system, mainly chain restaurants and places on the West Coast.

Pay-at-table systems quickly gained acceptance in Europe, said Douglas Bergeron, the chairman of VeriFone, because the incidence of credit card fraud and identity theft was greater than in the United States.

"A restaurant is the only remaining place in the retail economy where the card disappears, where you actually hand it over and the transaction is not processed right in front of you," he said. "There is an opportunity for it to be copied and skimmed."

Those who have used the systems in Europe may wonder why it has taken so long for them to show up here.

Henry Helgeson, the president of Merchant Warehouse in Boston, which sells credit card systems, said restaurant owners are typically cautious. "They're waiting to see if it works before they make a big leap," he said.

A number of midprice restaurant chains are experimenting with them, a process that can take months. On Long Island, Four Food Studio in Melville has been using the system for about a month. They have four units for 13 waiters and plan to add more.

"Our guests say it gives them peace of mind, being able to pay the check without giving up their credit cards so there is no opportunity for fraud and identity theft," said Jay Grossman, one of the owners. "It speeds thing up, too. There has been complete acceptance; after all, we're in the world of BlackBerrys and iPods."

Roger Berkowitz, the president of Legal Sea Foods, which has more than 30 restaurants along the East Coast, has been using the equipment in some of his restaurants for about a year.

"It takes training but it doesn't take long for people to be comfortable with it," he said.

Mr. Drummond of Ingenico said that pay-at-table represented a "cultural shift," with restaurateurs fearing that using the devices may appear to rush the customer. Some owners of high-end restaurants in New York seemed wary. Drew Nieporent, an owner of the Myriad Restaurant Group, said he thought the gadgets were not "classy."

Danny Meyer, the chief executive of the Union Square Hospitality Group, noted that a tip, which is included as an automatic service charge in Europe, can be a problem.

"They are time-savers and probably inevitable," he said of the devices. "But here people might be uncomfortable having the waiter lurking right there while the host calculates the tip."

Several companies that provide these systems have said that preliminary studies show that tips increase when these systems are put in place.

The units cost about \$500 each; integrating them into a restaurant's computer system costs extra. But faster payment should allow tables to be cleared sooner, so more people can be served. The devices also allow the use of debit cards that require a PIN code, which cost restaurants about a third less than a standard credit card charge.

In the next few years, according to executives in the credit card processing business, credit cards will have chips that require a PIN code for many transactions. Then the time for handheld devices may finally come.