



Columbia Sportswear Company Invests in Flexible, Scalable Solution to Secure Payment Data



The Situation:

Columbia Sportswear Company is a leader in the global outdoor apparel, footwear, accessories and equipment markets, earning an international reputation for innovation, quality and performance. As a forward-thinking company, Columbia wanted to ensure the highest level of service and security for their customers in all retail store locations. They desired a payment solution that was proven, reliable and scalable. "We were looking for a solution that would minimize or eliminate the need to store payment data with the scalability to support future growth," said Susan Leafe, Retail Application Manager, Columbia Sportswear Company. Additionally, they were exploring ways to reduce their PCI scope. To accomplish this, they needed a fully outsourced solution utilizing customer-facing terminals to capture the data, and encryption and tokenization technologies to secure it. They desired a solution that would easily integrate to their existing point-of-sale system and offer choices for payment processing.

The Solution:

Merchant Link, Voltage Security and Equinox Payments enabled a comprehensive payment solution to protect cardholder data in-flight and at rest. First, the POS was integrated to the Merchant Link Payment Gateway™, providing a single, cloud-based interface to all major payment providers. Columbia selected Equinox Payments' next generation L5300 payment system which incorporates an integrated contactless reader and features Equinox's remote PIN key injection system to accept debit card transactions. It allows the retailer to initiate on-site, in-store terminal PIN key injection quickly and securely in line with PIN debit security rules. Each terminal is tamper resistant and comes equipped with Voltage SecureData Payments™ encryption solutions, which leverage breakthrough technology and encryption innovations such as the patented Voltage Format-Preserving Encryption™ and Voltage Identity-Based Encryption™. Voltage's unique stateless key management technology enables cardholder data to be encrypted at capture but without any additional key management complexity or operational overhead, and works alongside PIN debit encryption

Solution Key Benefits:

- High availability and performance as transactions travel quickly and securely over reliable, cloud-based network
- Easy deployment with single point-to-point encryption solution from device to processing
- Reduces PCI audit scope by removing payment data from IT environment
- Preserves connectivity to all major processors and ability to switch with minimal disruption to business processes
- Terminals designed for high-volume merchants and future payment methods scales with business growth
- Reduced key management overhead with no key injection required for credit card encryption
- Simplified settlement process with enterprise reporting down to the transaction level



Moving the Payment Infrastructure Off-Site and Reducing PCI Scope

"The solution is easy to implement and manage over time, and has allowed us to completely remove all credit card data from our environment."

Susan Leafe, Retail Application Manager



without any impact. The result is the elimination of access to live data in the merchant POS and IT systems. Merchant Link's TransactionVault™ tokenization and BizPortal™ reporting functionality round out the offering.

How It Works:

In a card-present scenario, customers initiate payment transactions using a card swipe terminal. Cardholder data is immediately encrypted at the point of capture, within the terminal. The Voltage Format-Preserving Encryption protects credit card data without changing its format and provides stateless key management using Voltage Identity-Based Encryption, eliminating key injection and thus removing the cost and management of additional keys. As part of the transaction authorization and settlement process, cardholder data is replaced with a card-based token which is used to reference the transaction.

The Results:

Working with an aggressive timeline, Merchant Link, Voltage Security and Equinox Payments worked together to deliver the complete solution in just 14 weeks. Minimal staff training and IT investment were required. The first site went live November 4th in time for the start of the busy holiday shopping season. Columbia selected two stores to pilot the new system through December and will roll out the remaining locations by April 2012. According to Leafe, "The system is running smoothly, and the handful of errors we did experience were quickly resolved." The software-based solution simplified Columbia's security strategy and eased their recent PCI auditing process. The PCI scope for Columbia Retail stores was greatly reduced. The retailer is satisfied the enhanced security protects their brand and preserves the trust of their customers.

Merchant Link is a leading provider of cloud-based payment gateway and data security solutions, enabling more than 3 billion transactions annually for some of the world's best-known merchants.

Voltage Security is the world leader in providing data-centric encryption and key management solutions for combating new and emerging security threats to sensitive data and reducing PCI scope. Voltage customers represent a wide variety of industries including payments processing, retail, financial services, insurance, healthcare, and e-commerce retail.

Equinox Payments is an industry-leading point-of-sale terminal manufacturer. The Equinox payment terminal connects the physical world of the merchant store to the virtual world of payment processing.

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