



Canadian Check Processing

payments business customers international

Summary: Many community banks are looking to increase their back office efficiency and provide faster availability of funds, with checks between the US and Canada. We explain how this can be done.

Things have changed a lot in the past decade. Look no further than the fact that 81% of Americans own a smartphone today vs. <35% back then. That alone changes how people interact with their banks, get their news, check the weather and buy things.

Things have been changing over the border in Canada too. The country is much more than hockey and vast expanses of wilderness. As our second largest trading partner, active business with Canada means US community banks need to exchange payments on a regular basis.

It's no secret that paper checks are slowing down as a form of payment, decreasing roughly 4% or more per year in the US. But, as there still exists a fairly open, broad and oft-crossed border between the US and Canada, the reality of international payment by check is likely to remain for years into the future.

In order to make check payment more efficient, many US community banks are looking to imaging to increase their back office efficiency, provide faster availability of funds, reduce fraud and eliminate postage costs. This especially applies to checks and payments moving between the US and Canada given the size of our relationship with this trading partner.

Over the years, US banks needed to create workarounds by sending their customers' Canadian checks to a large Canada-based bank for processing. But, solutions like this still cost the primary receiving institution money and time, as well as an added fee to the "gateway" Canadian mega-bank to process the check.

To streamline and boost trade flow between the US and Canada, over the past year and a half, the processing of Canadian checks has been made much easier by that government. It approved digital processing of Canadian checks across borders and that is a good thing for community banks here with customers doing business there. It also means it is now much faster to get payment for your bank and your customers. It also reduces potential check fraud.

As the global market grows and business customers try to expand, you may find the needs of your bank are growing too. In fact, the Canadian import/export market is over \$628B, so it is likely that most business customers will need to process Canadian checks at some point in time. It doesn't need to be costly to support these customers, as they do business there.

To help community banks, we have a [digital solution](#) for Canadian checks. We are also the only bankers' bank with a solution that can give you same-day credit for these checks. So, instead of depending on a big bank or money service bureau to provide this service to your customers, give us a call to see how easy it is to partner with us to provide Canadian check clearing (along with other international services) to your customers.

Supporting your customers as they do business in Canada can help them and bring in more business for you too. That sounds like a good idea, eh?

CHECK IMAGING FOR CANADIAN CASH LETTERS

PCBB's enhanced cash letter service for Canadian checks can help your bank minimize its credit exposure, increase operational efficiency and deliver faster fraud notification. Learn more about our check imaging for [Canadian cash letters](#).

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