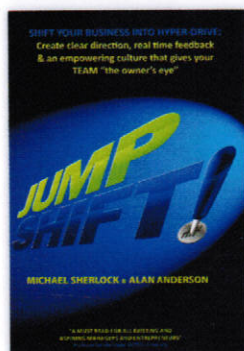


BOOK OF THE MONTH

**JUMPSHIFT!**

Michael Sherlock and
Alan Anderson

MOLOGA PUBLICATIONS RRP \$38.95

Founding managing director of Brumby's Bakery Michael Sherlock and management consultant Alan Anderson have come together to write about how to shift your business into hyperdrive. The book covers the final four years of Brumby's Bakery and how it was transformed from a \$6 million business to a \$46 million goldmine. However the book is not just about the success of Brumby's or running a franchise – it also provides a framework for leading and managing a high-growth business.

Sherlock and Anderson discuss their "eight-step model for leading and managing a business", allowing readers to plot their own business journey by focusing on their overall objective. The book also outlines what worked, what didn't and what the authors would recommend others watch out for.

The book includes self-analysis tables that help you identify gaps in your business and, when combined with the book's insightful business tips, address those problems. **EMI BERRY**

Ten readers can win a copy

In 25 words or fewer, let us know your best tips for small business success. Send entries to Book of the Month, Money, GPO Box 3542, Sydney, NSW 2001 or email money@acpmagazines.com.au. Don't forget to include your name and postal address. Entries close December 8, 2011.

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THE BUZZ

Campaign pays off

Home owners score a mortgage discount

There's been a lot of controversy over the Choice-One Big Switch refinance campaign. Based on the principle of bulk buying, One Big Switch promised to be Australia's biggest mortgage refinancing event. Home owners looking for a better deal were urged to sign up so that One Big Switch – a profit business designed to help consumers pay less for their regular household bills – could seek discounted rates on bulk consumer applications.

Unfortunately, no major bank has yet signed up and even some of the big branded non-banks such as Resi weren't keen to offer a lower rate to the home owners who registered for fear of alienating their existing customers.

At this stage, only non-banks Resimac, Firstmac, Mortgage Ezy, Mortgage Port and building society IMB have been confirmed as the lenders for applicants who live in South Australia. Group discounts are expected to be announced for members in remaining states over the next month.

Industry groups initially slammed the idea as they believed it did not take the circumstances of individual borrowers into consideration, something that the co-founder of One Big Switch, Paul Hunyor, says is inaccurate.

The Mortgage and Finance Association of Australia has also criticised the campaign. Chief executive officer, Phil Naylor, says consumers should be aware that One Big Switch is not a new service – "it is the service 12,000 MFAA-approved broker members provide for clients every day".

The MFAA was also dubious about the involvement of Choice, the consumer watchdog, given it receives a \$250 finder's fee for each successful mortgage application. Choice says it will help pay for the campaign. One Big Switch receives a 0.5% commission on the loan that is refinanced.

Despite all this, the campaign, according to Hunyor, was a success. "We set out a simple goal – to successfully refinance loans and we've already done this," he says.

Successful applicants in South Australia received discounts of about 0.35%. The discount is for the life of the loan, which is impressive as non-bank standard variable rates are, on average, lower than what majors charge.

Look out for a similar campaign with electricity retailers, as One Big Switch intends to take on this area next. **EFFIE ZAHOS**

THE BURNING QUESTION

Will I have to pay 5¢ every time I use EFTPOS?

Damian Smith, chief executive officer, RateCity

The short answer is "no"; the long answer is "sometimes".

When you use EFTPOS, money is transferred from your bank to the retailer's bank at a charge (generally 5¢) to your bank. Most banks offer a capped number of free transactions and charge a small fee beyond that number.

That was until last month. Now for purchases of \$15 and over, with no cash-out as part of the transaction, your bank will charge the retailer's bank a 5¢ fee. If this is passed on from the retailer's bank to the retailer, it

might then be passed on to you. Some actions are exempt, including purchases of \$15 and payments to Medicare and Coles. Purchases at Coles and Woolworths are exempt as they are part of the consortium that owns the EFTPOS system in Australia. Other transactions will essentially be exempt.

The major banks have different policies on passing on the cost to retailers. Commonwealth Bank, for instance, says it won't pass on the cost to new merchant customers. Westpac will pass on the full cost.

So in summary: we don't yet know, but I'd expect that if a retailer is charged by its bank, it will find a way (directly or indirectly) to add it to the price you pay.