

## Are Small Businesses More Vulnerable to Credit Card Fraud?

**S**mall glass shops beware: your business may be more likely to fall victim to credit card fraudulent situations than larger businesses. According to Visa USA, more than 80 percent of cases opened since 2005 that involved unauthorized access to card data have involved small businesses. Generally speaking, what is that makes small glass shops most vulnerable? Quite possibly because the businesses are not as prepared to protect their customers' credit card information. For example, card-processing companies [i.e., Visa and MasterCard] make available a list of card-industry rules all merchants are required to follow, but some say the companies focus on getting that information to the larger merchants more so than to small businesses.

"The bigger companies are better protected," says Alan Aday, owner of Glass

Now Inc. in Frisco, Texas. He explains that those companies have specific departments that are dedicated to protecting against credit card fraud, while small businesses often have only one or two people to cover it.

Still, some small glass shop owners say they keep pretty well current and informed about how to protect credit card information. Grover Ballou, vice president of Amherst Glass in Amherst, Mass., says he's familiar with the card companies' rules.

"They tell us what we can and can't do. For example, we don't keep receipts past 30 days and we only have the last four digits of the card number on the receipt," Ballou says. "We also shed receipts after 30 days so we don't keep any card information on file and we have not had any problems."

National news reports have told of sit-

uations where small businesses were victims of credit card fraud because information was stored on computers when it should not have been. These glass company owners say this is not a problem for them because all cards are processed and filed manually.

"We don't keep any credit card information on the computer," says Tom McChesney, owner of A-1 Glass in Garland, Texas. "I take care of it all myself and the only information we keep is name, address, phone number and that's in a file, not the computer."

McChesney continues, "If someone bought something from me today and a week later wanted to order something else he would have to give me the number again, as I would not have a record of it."

Aday personally has been a victim of credit card theft, and works hard to make sure his customers are protected.

"When the guys go out on a job, if the customer wants to pay with a card I tell them to make sure they actually see the card," says Aday, who says that's most important—to see the card and not just let customers give out the card number.

"We write the number on the work order, we run it and then, as soon as it's cleared, I shred that number," says Aday.

Aday says it's also important to make sure and have a signature. "Get the signature and imprint, because that's how you get paid," Aday says.

But what it comes down to in order to best protect customers is being careful—namely, shredding documents. Aday says quite often there are stories on the news that tell about businesses that just throw away receipts and credit card numbers without shredding.

"They should be held accountable for just throwing everything away," he says.

-Ellen Giard Rogers ■

### Solutia Prepares to Emerge From Bankruptcy

**S**olutia Inc. in St. Louis announced in late September that it has secured the support of all of the major constituents in its Chapter 11 cases for a consensual plan of reorganization.

The company originally filed its plan of reorganization and disclosure statement in early 2006. The reorganization was undertaken to provide the company with relief from the legacy liabilities it was required to assume when it spun off from Pharmacia (formerly known as Monsanto) in 1997. These legacy liabilities include retiree medical, life insurance and disability benefits for individuals who retired or became disabled prior to the Solutia spinoff. Also included are environmental remediation costs related to activities of the chemicals business of Pharmacia that occurred prior to the spinoff and toxic tort litigation costs relating to chemical exposure associated with the activities of Pharmacia that occurred prior to the spinoff.

"The revised plan will position Solutia to emerge from bankruptcy by the end of this year as a financially healthy organization well-positioned to create significant value for its stakeholders," says Jeffry N. Quinn, chairperson, president and chief executive officer of Solutia.