



Dave Fettig
FSPC Spokesman
Federal Reserve Banks
(612) 204-5274
David.Fettig@mpls.frb.org

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New Canada ConnectionSM promotional tools help U.S. financial institutions foster cross-border payments to Canada

Atlanta, GA, February 4, 2008—The Federal Reserve Banks introduce Canada Connection, a promotional name and related campaign designed to help U.S. financial institutions market FedACH International[®] Canada Service, a cost-effective and efficient solution for sending ACH payments to Canada. The Canada Connection is a joint marketing campaign between the Federal Reserve Banks and Scotiabank, the gateway operator in Canada for the service.

"Canada continues to be an important focus for our customers. In a recent survey, half of the financial institutions responding said that Canada was one of their most important payment destinations. The Canada Connection marketing campaign will help financial institutions to promote this cost-effective and timely payment method to their customers," states Elizabeth McQuerry, assistant vice president, Retail Payments Office, Federal Reserve Bank of Atlanta.

The Canada Connection promotional kit includes tools designed to assist U.S. financial institutions in marketing the Federal Reserve Banks' FedACH International Canada Service to their customers. Similar to the Federal Reserve Banks' successful Directo a México marketing kit, the Canada Connection kit includes customizable electronic templates for both print and on-line materials to help financial institutions easily and economically launch their own successful marketing campaigns.

As the United States' largest trading partner, Canada accounts for over 18% of total U.S. trade. Total U.S. – Canada trade reached approximately \$500 billion in 2006, with 36 U.S. states citing Canada as their leading export market. On average, over 24,000 Canadians migrate to the U.S. annually, making way for potentially numerous cross-border payments by individuals to Canada.

"Scotiabank is committed to providing global transaction banking services that enable our clients to transact business across borders efficiently. Our partnership with the Federal Reserve Banks enables us to reach out to new U.S.-based financial institutions and promote the benefits of our cross-border ACH services," adds Beth Bailey, Vice President of Scotiabank Cash Management & Payment Services.

The FedACH International Canada Service, first offered in 2001 as part of the Federal Reserve Banks' suite of FedACH[®] Services, offers timely delivery and reduced costs associated with cross-border ACH payments for one-time and recurring disbursements. In addition to the standard processing and delivery schedule, the service includes the Morning Post enhancement, which allows U.S. businesses to take advantage of early morning delivery of payroll and pension payments to Canadian recipients.

More information on FedACH International Canada Service and Canada Connection is available at FRBservices.org/Retail/intfedach.html.