

BLACKHAWK NETWORK

For Optimal Growth, Less is More



It happens with many companies as they travel the road to success—that annoying smattering of growing pains that often go hand-in-hand with expansion and accomplishment.

Such was the case with Blackhawk Network, a leading, global provider of pre-paid gift and telecom cards. The company, based in Pleasanton, Calif., makes the majority of its business distributing gift cards within the online world as well as in brick-and-mortar retail stores under the popular Gift Card Mall™ name. And over the last few years, Blackhawk Network has expanded its reach worldwide, with offices in 21 countries including Canada, Australia and the United Kingdom.

But progress can come with complexities, and another need arises: simplification. As Blackhawk Network grew, so did its list of third-party providers—not necessarily a good thing, considering the due diligence and monitoring that must be completed for each. This included the company's three different OFAC-screening providers in place to ensure its gift card recipients weren't on OFAC's watch list.

CHALLENGE

Blackhawk Network, a global provider of pre-paid gift cards, found itself working with several OFAC-screening vendors as its reach expanded both geographically and through products and services.

SOLUTION

Blackhawk selected CSI as a singular compliance partner that could answer all its OFAC-screening needs, while also reducing costs and increasing efficiencies companywide.

RESULT

Blackhawk's gains are three-fold. With WatchDOG Elite®, the company found a global solution that can grow as it does, as well as reduce costs and keep regulators happy with its case log system.

A GLOBAL COMPANY NEEDS A GLOBAL PARTNER

"That was my biggest concern," recalls Erik Brazzo, vice president of Risk Management for Blackhawk Network. "Obviously there's only one OFAC list, but because of our company expansion—and expansion into different products and needs across time—we found ourselves using multiple touch points for OFAC screening."

The company needed to consolidate. But the problem was, none of those three vendors seemed quite ready to handle the kind of global growth Blackhawk Network was experiencing. So Brazzo set out to discover one that could and found what he was looking for in CSI's automated OFAC-screening solution, WatchDOG Elite®.



"It looked like the perfect solution to consolidate those touch points," Brazzo says, pointing to three pivotal factors that made WatchDOG Elite stand out.

"First of all, it's a global solution. As we expand and map out our five-year plan, we wanted to make sure we had a partner that could grow with us," he says. "Secondly, the value was excellent. And last but not least, we get audited regularly for our money-transmitter licenses. So we needed to work with a provider that has a case log system that could show the regulators that we are doing what we need to do and that we're working with a good partner in the market."

IMMEASURABLE BENEFITS

Brazzo says that value is perhaps the most measurable benefit of working with CSI, but adds that Blackhawk Network has gained an even more significant advantage.

"One thing that's a little harder to quantify is the simplicity we now have. As we need to make changes to our internal systems and as we expand our capabilities—now that we're only working with one provider, the familiarity is there and it's a lot easier to make decisions on any changes that need to happen internally," Brazzo says. "Previously when we were working with multiple providers for OFAC screening, there was a huge knowledge base that went into it.

"And the last thing the product team wants to worry about is multiple touch points for regulatory screening."

A PARTNERSHIP TO GROW ON

Brazzo adds that the conversion to WatchDOG Elite went seamlessly, and that he's confident Blackhawk Network and CSI are together for the long run.

"There are a lot of different regulations you have to consider as you expand globally, and internally it's tremendous work," he says. "So to be working with one partner that can provide you with global solutions makes everything a lot easier as you're working to expand. We couldn't be happier."

ABOUT CSI REGULATORY COMPLIANCE

CSI takes risk management and regulatory compliance seriously; we know you do, too. Since regulations constantly change, we've developed comprehensive solutions that address today's requirements and adjust to meet tomorrow's demands. Our industry-leading solutions include consulting, social media compliance, testing and watch list screening. Financial institutions and businesses alike trust CSI's expertise to enhance their compliance programs and reduce operational costs.

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