In this document, you will find a media coverage report which includes comprehensive traditional coverage since the Today Show segment was published on May 23, 2013. In addition, a social media snapshot capturing different types of coverage posted on ecoATM’s social channels is included as well.

**Traditional Coverage:**

**CIOL**

*Convert old electronics into holiday spending money*

**November 22, 2013**

SAN DIEGO, USA: This holiday season shoppers will once again flock to America’s malls to purchase the newest electronics for friends and family; with the Consumer Electronics Association recently finding that 74 percent of consumers planning to purchase gifts this holiday season intend to buy consumer electronics as gifts, accounting for 33 percent of overall holiday gift budgets.

The season's increase in the new electronics purchases often results in more old devices being relegated to the back of the drawer. Fortunately, ecoATM's self-service eCycling kiosks, found in malls across the country, provide consumers with an easy, eco-friendly, and economical way to convert unused and outdated phones, MP3 players, and tablets into holiday spending cash.

ecoATM's kiosks recycle consumer electronics to keep them out of landfills, and provide cash payments as an incentive for consumers to recycle. By bringing the contents of that drawer, box, or maybe even closet of unused electronics to one of ecoATM's more than 800 kiosks, holiday shoppers can exchange digital paperweights for cash to spend on new electronics or other gifts, taking some of the financial sting and stress out of holiday shopping.

**WRIC**

*8News Investigates: Do Cell Phone Recycling Kiosks Encourage Thefts?*

**November 21, 2013**

RICHMOND (WRIC)—Kiosks that offer cash for used electronics are popping up in shopping malls across America. They're convenient, but do they also encourage crime?

Cell phone theft is a growing problem across the country, including here in Central Virginia; it's occurred recently near the Virginia Commonwealth University campus.

"It's money, and it's a crime of opportunity," said Officer Matthew Ruland of the VCU Police Department.

This spike in cell phone thefts has some cities looking to pull the plug on cash-for-electronics kiosks, which some law enforcement officers and government leaders claim are helping to fuel crime.

"Right now we passed a ban on these machines in Baltimore City," said Baltimore City Councilman Bill Henry.
The machines are called ecoATMs. The company touts them as a great way to help the environment by recycling old phones instead of throwing them away and having their toxic batteries end up in landfills.

"I mean the stats are staggering," said Drew Spaventa, an ecoATM representative. "If you look around the country, there is an estimated about $5 billion worth of used electronics sittin' in drawers just, you know, decaying in value."

The way ecoATMs work is simple: anyone with a used cell phone, mp3 player or tablet places the device into the machine, which then determines its market value and dispenses cash on the spot. But critics, including Washington, D.C. Metropolitan Police Department Chief of Police Cathy Lanier and members of the Baltimore City Council, say the quick payout could be a driving factor for thieves to steal more phones.

"I am seeing more and more cases of especially the high end—the iPhones, the smartphones—being stolen," Henry said. "These machines have come in at the same time that we're seeing the spike. That seems a little bit more than coincidence."

ecoATM touts tough security measures to prevent stolen phones from ending up in its machines; users must scan an official photo ID, give a thumb print and have their photo taken. Transactions are even monitored in real time from the company's California headquarters to ensure the photo on the ID matches the person in front of the machine. ecoATM boasts more than 600 machines in 40 states, and only one in 1,500 phones deposited into its kiosks is stolen.

"We have a long-standing commitment to working with law enforcement, and we're really proud of our product," Spaventa said.

There are a number of ecoATMs in malls throughout the Richmond metro area. 8News Investigative Reporter A.J. Lagoe put their security to the test.

Lagoe used 8News Photojournalist Ben Arnold's driver's license to trade in a used electronic device. The process took about 10 minutes to complete—and the ecoATM failed to distinguish the difference between Lagoe's and Arnold's faces. Lagoe was ultimately able to get cash using someone else's photo ID.

Lagoe decided to give ecoATM a second chance. He recruited mall shopper Anne to help perform a follow-up experiment; Lagoe lent his driver's license Anne so that she could attempt to get cash for a used phone. This time, ecoATM repeatedly told her it was having a hard time matching her picture to his photo ID.

The fact that ecoATMs are fallible machines is what has some law enforcement members concerned that the kiosks could potentially create a quick-cash incentive for criminals.

While top cops and politicians in both Baltimore and Washington, D.C. have publicly spoken out against ecoATMs' kiosks, when Lagoe contacted law enforcement agencies here in Central Virginia, most told him they were unaware of the machines and had not experienced any related problems.
ecoATM's website says, "ecoATM works hard to ensure that our kiosks are the worst possible option for a criminal to sell stolen property and the best place for the victim's property to end up if it was stolen because we can track and return it."

However, in order for ecoATM or police to track a stolen phone, knowing its serial number is key. In the event that your phone is ever stolen, report it to police and your wireless carrier immediately.

iPhone users can find instructions for retrieving their phone's serial number on Apple's support page. For assistance with other devices, contact your wireless provider.

CNBC (Reuters, YAHOO! Finance, TMC Net, Herald Online, Business Wire, 4-Traders, Hispanic Business) ecoATM Provides Shoppers an Easy, Eco-Friendly Way to Convert Old Electronics Into Holiday Spending Money

November 21, 2013
Recycle Old Devices to Put More Green in Your Wallet and Be More Green by Protecting the Environment

SAN DIEGO--(BUSINESS WIRE)-- This holiday season shoppers will once again flock to America’s malls to purchase the newest electronics for friends and family; with the Consumer Electronics Association recently finding that 74 percent of consumers planning to purchase gifts this holiday season intend to buy consumer electronics as gifts, accounting for 33 percent of overall holiday gift budgets. The season’s increase in the new electronics purchases often results in more old devices being relegated to the back of the drawer. Fortunately, ecoATM’s® self-service eCycling kiosks, found in malls across the country, provide consumers with an easy, eco-friendly, and economical way to convert unused and outdated phones, MP3 players, and tablets into holiday spending cash.

decoATM’s kiosks recycle consumer electronics to keep them out of landfills, and provide cash payments as an incentive for consumers to recycle. By bringing the contents of that drawer, box, or maybe even closet of unused electronics to one of ecoATM’s more than 800 kiosks, holiday shoppers can exchange digital paperweights for cash to spend on new electronics or other gifts, taking some of the financial sting and stress out of holiday shopping.

“The holidays are a great time dig out old electronics and take them to the mall to recycle,” said Mark Bowles, Chief Marketing Officer and Founder of ecoATM. “Exchanging unused devices for cash helps shoppers stretch budgets in the holiday season, and with ecoATM is especially convenient given our many mall locations across the country.”

How It Works – Putting Some Green in Your Wallet: The ecoATM kiosks recognize virtually any type of phone, MP3 player or tablet using robotics and artificial intelligence. Then, using a worldwide auction system, ecoATM offers consumers competitive prices based on the model and condition of the device, ranging from a few dollars for older models to a few hundred for newer smart phones. ecoATM kiosks are located in hundreds of malls across the country; making it especially convenient for holiday shoppers at this busy time of the year.

Gift to the Planet – Resolve to be Green During the Holidays: ecoATM makes it easy to put more green in your wallet and be good to the environment. According to the U.S. Environmental Protection Agency, for every one million cell phones that are recycled, 35 thousand pounds of copper, 772 pounds of silver, 75 pounds of gold, and 33 pounds of palladium can be recovered. Salvaging these basic metals
significantly decreases the amount of greenhouse gas emissions that result from the extraction and refining of these materials. More than one million devices have been recycled at ecoATM kiosks to date.

You can find the ecoATM closest to you at http://ecoATM.com.

About ecoATM
ecoATM, a subsidiary of Outerwall Inc. (Nasdaq: OUTR), is the first company to create an automated self-serve kiosk system to buy back old phones, tablets or MP3 players for cash. ecoATM uses patented, advanced machine vision, electronic diagnostics, and artificial intelligence to evaluate electronics. ecoATM’s eCycling stations provide a convenient trade-in solution with features that validate sellers’ identities and deter the sale of stolen phones, and the company works closely with local law enforcement (http://ecoatm.com/law-enforcement.html)

ecoATM holds both Responsible Recycling (R2) and ISO14001 certification, confirming the company’s commitment to maintaining the highest standards of electronics recycling, as well as ISO27001 certification for information and personal data security. See http://www.ecoatm.com/how-it-works.html for a video of how an ecoATM kiosk works. For more information, visit www.ecoatm.com and for more information about Outerwall Inc. please visit www.outerwall.com.

GoArticles
E-Waste Recycling Industry Is Booming
November 21, 2013
According to U.S. media reports, the U.S. e-waste recycling machine automatically at the 3rd company ecoATM is Outerwall acquisition; the total amount reached $ 350 million. And three months ago, the market valuation of ecoATM only about $ 80 million, just a quarter of the company valuation for the upgrading of more than four times.

Outerwall Company CEO believes that with the electronic product upgrade cycle shorter, e-waste recycling industry development starting next year was significantly accelerated. He is optimistic to expect that, ecoATM recycling business next year you can contribute $ 100 million for the company's revenue. Read more news on waste recycling at biffa-waste-services.com

The buffet-style electronic waste recycling machine launched in March this year, shaped like a normal ATM machine. Users simply will no longer use the old mobile phones, tablet PCs or MP3 into the recycling machine; you can automatically get recycling prices. Take mobile phones, recycling machine will not damage the phone, it will not be read or backup phone for any information. Phone placed after the recovery will automatically identify the phone model, the use of artificial intelligence judgments phone soundness and to know your phone via data cable if there internal problems, and finally give a price. Currently ecoATM is mainly used to identify the phone, this year launched a new version will be able to identify digital cameras, notebook computers, printers, MP3 and many other electronic products.

China is now the world's second largest producer of e-waste, annual production of more than 2.3 million tons of e-waste, second only to the United States 300 million tons, but electronic waste disposal capacity with the United States and other developed countries are still significant gaps. In mid-June, a United Nations report noted that about 70 percent of world production of electronic products and flows to China eventually become garbage, China has become the world 's largest electronic "garbage dump."
As environmental pressures, policy efforts to support the use of renewable resources also significantly increased, while the remanufacturing industry as a circular economy "reuse" advanced form, has become China's important strategic emerging industries. 2010 National Development and Reform Commission and other 10 departments jointly issued "on promoting the development of the remanufacturing industry opinions", the recent Jiangsu Province Development and Reform Commission recently issued a notice on the province’s remanufacturing industry to thoroughly investigate the situation. Blindly to the pursuit of high-end technology and its transformation, it would settle down to do the recycling of waste products, contribute more environmental capacity at biffa-waste-services.com.

Domestic listed companies, there are also partly involved in waste recycling industries. Grammy annual handling all kinds of scrap batteries, electronic waste and cobalt and nickel reached more than 50,000 tons of waste resources, recycling manufacturing ultrafine cobalt and nickel powder and other high-tech products reached more than 7000 tons.

Richland Source

**ecoATM provides solution for recycling electronic devices at Richland Mall**

**November 20, 2013**

Electronic devices are updated frequently, leaving consumers to wonder what to do with the old model. Tablets, mp3 players, and cell phones are among the items that can be exchanged for cash at the Richland Mall.

The introduction of ecoATMs at the mall provides consumers with an easy, secure way to exchange used electronics for cash. The company profile says, "ecoATM is the first and only company to create an automated self-serve kiosk system that uses patented, advanced machine vision, electronic diagnostics, and artificial intelligence to evaluate and buy back used electronics."

Jodi Scott, General Manager at Richland Mall stated, “Richland Mall is constantly looking for new retail and vending concepts that provide convenience and fill a need within the Mansfield market.” The "e-Cycling" process takes just a few minutes to complete and provides the seller with the ability to sell cell phones of all makes and models, mp3 players, tablets and iPads.

The kiosk is outfitted with a touch screen program designed to guide the seller through a user-friendly process. The seller places his or her phone in the test station and the ecoATM scans it and searches a worldwide database for the highest buyback market value. The seller has the option to accept or refuse the cash offer. If he or she agrees to the price, the kiosk disperses the amount.

The seller can cancel anytime during the process, up to confirming the sale and price. The item is not harmed and personal data on the device is not accessed or compromised in any way in the process. “The first ecoATM was installed in the food court at Richland Mall in November of 2012 and has been a successful and convenient opportunity for customers. A second unit was installed recently in the south wing near Sears. Customers seem to enjoy the ease of use and ecoATM has been very responsive to any issues or challenges that have arisen,” said Scott.

Unfortunately, smart phones make tempting targets for thieves and at first glance these new automated kiosks seem to give thieves an easy way to sell a stolen phone. In reality, according to Detective Jon Sigler of the Ontario police department (OPD), these kiosks may actually be helping local police to catch criminals.
“These machines are set up in a way that actually sets up the charges perfectly when there is an incident,” said Sigler. He added, “They have enough safeguards and the company is very law enforcement friendly. If you are a thief this is the last place you want to go to sell that phone.” Sigler described a recent incident that involved the kiosk in the food court and Ontario Police Officer Casey Bly.

The officer proceeded to contact the company by using the number displayed on the machine and was quickly connected with a help representative. The representative proceeded to remotely unlock the machine after Bly and the victim followed steps to identify the phone in question so that the phone could be retrieved from the kiosk.

“This company is great, they worked right along with us. Their whole system is very law enforcement friendly and they cooperated 100 percent,” said Bly. Bly then added, “If somebody is a victim of a crime they need to call us. As in this case, we got the cell phone back the same day.” Every transaction at an ecoATM is remotely monitored by staff through a variety of cameras and imaging devices including verification of government issued IDs and thumbprint scanner. The system includes a dual hi-resolution camera, and collects and holds all inventory and information such as serial number on the device, ID and thumbprint for 30 days.

“Is there a black market for cell phones? No question,” said Sigler. “This machine has enough safeguards and the system and company themselves are law enforcement friendly, ready and willing to cooperate if there is an incident. When we have a success story like this, the ability to solve a case in one hour, that's gold,” he added.

Scott shared that although the kiosks were installed on a temporary basis for the holidays, Richland Mall is always striving to fill the needs of shoppers and looking for ways to add ease and convenience to their experience.

“We will see how things go through the holidays. The kiosks possibly will then become a permanent fixture in the mall. It's all about serving the needs of the consumer,” said Scott.

According to Scott, Richland Mall has made available other advancements that focus on the needs of the consumer.

In addition to the cell phone kiosks, the mall also added a Proactive vending unit in the Food Court, and the upcoming installation of a Green Education Recycling Program in the parking lot are examples of the mall's mission to provide the best customer service while being environmentally supportive.

CirclesTech
7 Best Websites To Sell Used Mobile Phone
November 20, 2013

With the introduction of smartphones, many companies have been dedicated to making new devices in the current scenario. Many new mobiles are launched in the recent past and the old mobiles have to make way for the new ones. A young person would always want to keep a sophisticated latest gadget with him rather than possessing the old phone. In these cases, they either sell their old phone for a nominal cost to a less trustworthy concern or just pile up a stack of old phones in their house.

Check out our list of 7 best websites to sell used cellphones:
1. Usell.com
Selling the cell phone using this website is the easiest. The hassle free approach of the website towards sellers makes it the sought after website. The user can sell his phone undergoing some very easy steps. After the user gets offers, he can choose the buyer that matches the requirement and then ship the mobile for free. Moreover, the payment is done to the user appropriately. The constant customer support of the website sets it apart from the other selling portals available in the market.

2. SellCell.com:
This website is solely dedicated to the unloading of old cell phones. SellCell.com is one of the best options to auction your old sell phone when you intend to sell it. For the listing of the phone, user just needs to enter the model number of the phone and its manufacturing date. On the submission of this data, the website filters the results of the people who are looking to buy the phone that you listed in the current scenario.

3. EcoAtm:
EcoAtm is an emerging company that is promoting themselves in malls and other places. You must have noticed the kiosks of this company in malls and other shopping destinations. The user just has to insert the phone into those kiosks and the booth returns the slip with the best market price the user can get for the phone. It is done by scanning the phone. If the user plans to sell the phone, he can receive the cash for the phone at the same time.

The reason why EcoAtm is emerging out to be the best company for selling used phones is because it grants the cash on the spot to the user. You can receive information about this company by visiting its official website and with no doubts, it is the most hassle free company to sell your phone to.

4. Gazelle:
With Gazelle, the user can sell his phone within a matter of few minutes. Gazelle is becoming quite popular with its TV commercials going viral. It is emerged out as one of the best places where user can sell his phone. Another scheme that is running with the company is that they provide a commission of 10 USD, if you refer a friend to the company. The company has already received an A+ rating from the Better Business Bureau and it has appeared on the cover page of the New York Times and the Wall Street Journal.

Not only phones, but your other gadgets can also be sold to this company. Devices like iPhone, iPad, iPod, Apple Computers, Blackberry, LG, HTC, Motorola phones can all be sold without any hassles to this company. Gazelle remains to be the most reputed company to sell the used cellphones. For more info, the user may refer to its official website, www.gazelle.com.

5. Best Buy:
As the name suggests, Best Buy is one of the best places to sell your old phone. The user is given one more option in Best Buy, he can actually recycle the phone for free as well. The company works offline as well as online. The user intending to sell his old phone can either visit their store or sell it online. However, there exists a policy that is taking the name of Best Buy Company to a downward spiral. According to this policy, when you sell your phone to Best Buy, they give you a gift voucher with the help of which you are able to shop with their collection.
This proves to be the biggest drawback as the user has to buy from their own store and he does not have any other options available. The products that can be sought from their store can sometimes be over-priced and this is the reason why it does not have a great reputation at the market.

6. eBay:
The contribution of the website eBay in terms of selling used stuff cannot be ignored. It has been the most popular website in this segment. All the gadgets and belongings that you possess can be sold on eBay without any hassles. eBay is certainly the best place to unload your old phone and at the same time, earning reasonable money on it. eBay auction is supposed to yield the best price to the user than any other web portal.

7. OLX:
OLX is a simple solution to the complications involved in selling or buying. OLX is committed to give users a clutter free experience and also be free to list, free to search and free to transact forever.

Flipsy.com
ecoaTM: Quick Cash for Old Cell Phones or Criminal Honeypot?
November 19, 2013
Nearly everyone has old cell phones laying around or stuffed in "junk" drawers, but not everyone knows they can sell old cell phones for cash. Many online and retail outlets buy old cell phones (you can compare cell phone buyback offers on Flipsy, for example), but ecoATM has a different approach: self-service cell phone buyback and recycling kiosks.

What seems like a good idea hasn't gained favor with everyone, as some law enforcement agencies and local governments claim ecoATM's quick cash kiosks contribute to the rapidly growing stolen cell phone market. The following details what ecoATM is, how it works, and its accolades and criticisms so you can make an informed decision about using ecoATM kiosks.

What is ecoATM and how does it work?
Founded in 2008 by Mark Bowles, San Diego-based ecoATM has more than 650 kiosks in 41 states. ecoATMs are typically located in high-traffic shopping areas such as malls, and a trial is currently underway that might place them in Wal-Mart retail stores. The self-service kiosks offer cash for used cell phones; then, ecoATM either resells the phones for a profit or recycles them according to eco-friendly standards. ecoATM has won numerous awards for its innovative technology, including "Best Clean Tech Startup" (Crunchies Awards) and "Most Innovative Entrepreneur" (CEA), and has also been awarded SBIR grants from the National Science Foundation. ecoATM was recently purchased for $350 million by Outerwall, which also operates CoinStar and Redbox kiosks nationwide.

For consumers, ecoATM promises to evaluate more than 4,000 cell phones, tablets, and MP3 players and make instant cash offers for the devices. Offers can vary anywhere between $1 and $300 or more depending on model and condition; for older models that have no value, consumers can elect to have ecoATM recycle them for free. Users can also choose to receive their payout as cash or gift certificate, or they can donate their payout to charity.

The process works like this:
• The kiosk walks users through several screen prompts to ascertain identity, phone model, and condition
• It then outputs a QR code label users must affix to their phones, which they then connect to a power jack.
• The phone is inserted into the kiosk and the machine works to verify its condition in order to assign a value.
• Users are then prompted to scan their driver's licenses and thumbprints, which are recorded in ecoATM's database.
• A camera takes a photograph, which is remotely relayed to a team of live online employees who manually verify that the person using the machine matches the photo on the driver's license scan.
• Finally, the ecoATM kiosk presents a cash offer for the phone, and users can elect to accept the payout or decline and receive their phones back.

Criticism of ecoATM
Proponents of ecoATM say it offers a hassle-free way to get instant cash for old, unused devices. They point to the fact that some buyback vendors only offer store credit, while others can take as long as 45 days to deliver payouts. Moreover, they say the cash incentive ensures more people will recycle old devices responsibly, contributing to an eco-friendly environment.

Others, however, view ecoATM as a facilitator to more nefarious activities: namely, cell phone theft. They argue that ecoATM provides an outlet for criminals to quickly turn stolen cell phones into cash. Baltimore has banned the use of ecoATMs in its city, and the state of Maryland is considering a statewide ban. Vermont, Houston and Washington, D.C., among other entities, are considering similar legislation. Baltimore Delegate Luke Clippinger calls ecoATMs "honeypots" for criminals.

The fear is that ecoATMs provide motivation for criminals to steal cell phones, sometimes violently. Pedestrians with valuable phones are targets for criminals, who might also target ecoATM users in relatively deserted locations. Authorities seek to stem any potential for theft and violence that arises from the presence of ecoATM kiosks. ecoATM reports that just 1 in every 1,500 phones submitted to its kiosks are stolen; however, Burlington, Vermont police say that figure is closer to 1 in 10.

Despite seemingly-robust security measures, authorities are concerned that ecoATM kiosks are fallible machines and open the door for criminals to cash in; moreover, some criminals have already enlisted third-party "middlemen" to use ecoATM kiosks, leaving the actual thief difficult to track down. Even when thieves are caught, the fact that most people don't record phone serial numbers makes it difficult to return stolen devices to their rightful owners.

While law enforcement officials want more security, others contend that ecoATM's stringent approval process is prohibitive. They don't want to have to surrender personal information that will be recorded in a database, especially if they'll only make a few dollars from their old cell phones.

ecoATM security standards
ecoATM counters by pointing out that its kiosks follow security protocols that comply with Secondhand Dealer Laws - regulations pawn shops must abide by. They can only be used with a valid driver's license and by those who are at least 18 years of age; plus, the kiosks record photographs and thumbprint scans of every user.

Kiosk photos are verified against driver's license photos by ecoATM staff members, and ecoATM promises to share records of any questionable transaction with local law enforcement. Those measures should keep most criminals at bay; and when they do not, ecoATM keeps vital data on record that can
help law enforcement officers track down criminals. Even if a middleman is used, that person can be questioned to determine the identity of a cell phone thief.

In addition, ecoATM's website features a dedicated law enforcement page that details the steps it takes to work with law enforcement agencies to minimize related criminal activity. The company also employs a law enforcement board comprised of retired police chiefs, sheriffs, marshals, and other law enforcement personnel. Finally, FBI-LEEDA has recognized ecoATM's efforts to stem cell phone theft and work with law enforcement agencies to prosecute criminals.

ecoATM maintains that the company is doing everything possible to stop its kiosks from being used for criminal activities, and is eager to point out that its robust security measures makes its kiosks far less attractive to criminals than other outlets such as Craigslist and Game Stop.

ecoATM user experience

Judging by blog and forum posts, users have reported mixed results with ecoATM. "Mom on Caffeine" blogger "Martha" gave ecoATM "two thumbs up," reporting that she netted $163 for a one-year-old iPhone 4 in good condition and $53 for a two-year-old broken iPhone 4 with a cracked screen - for a total of $216. The process took approximately 30 minutes, though ecoATM says most transactions take just 4 to 5 minutes.

Crackberry forum poster Thachoc1 reported ecoATM offered him $87 for four old Blackberries, and seemed satisfied with the kiosk's valuation. Other respondents, however, reported that he could have made more from his devices if he had taken the time to compare cell phone buyback offers.

Melville Dewey of "Dewey B. Strategic" reported a decidedly different ecoATM experience, one he was evidently dissatisfied with. After 30 minutes engaging with the kiosk interface, he was offered $1 for his old cell phone (he did not identify the model or condition).

Overall, it seems one's level of satisfaction with ecoATM is wholly dependent on the offer the company makes: those who receive higher offers are happy to receive the cash, while those who receive low offers feel as though they've wasted their time.

Is ecoATM a good deal?

Ultimately, it's up to the user to determine whether ecoATM is a good deal. Those who need cash fast will find ecoATM to be a good way to get it, provided they have a valuable phone model in acceptable condition. Those who want to maximize their profit, however, might find better deals in the online cell phone buyback marketplace, provided they're willing to wait for their payout. In either case, it's a good idea to check real-time used cell phone values before selling in order to make an informed decision that nets the best deal for a given situation.

MyChamplainValley

Police: Man Sells Stolen Phone to ecoATM Kiosk in Burlington, VT

November 19, 2013

SOUTH BURLINGTON, Vt. - 35-year-old Michael Santiago, of Winchester, N.H., is accused of stealing a phone and selling it to the ecoATM kiosk located in the Burlington Town Center Mall.

Police say on September 14, Santiago stole a cell phone from an unlocked vehicle in the Hannaford parking lot in South Burlington. Later that week he sold the cell phone to the ecoATM machine.
The owner of the phone was located and told police that he loaned the phone to Santiago. Police say Santiago claimed the phone was stolen from him and he was not the one who sold it to ecoATM.

Santiago is being charged with possession of stolen property and false pretense. Santiago is due in court in December.

CNET
Keep your phone from getting stolen (and what to do if it is)
November 19, 2013
At one point or another, every cell phone owner has experienced the onset of panic and despair that hits your gut the moment you realize your phone is missing. This has happened to me more times than I care to admit, and the loss or even active theft of a device as personal as a mobile phone only highlights our dependence on them.

In a related story, CNET's Kent German touches on different security measures you can take with your smartphone OS that can help keep thieves from using your phone once they have it. My job here is to spell out some practical, physical efforts that'll help keep your phone in your possession, and keep you out of trouble.

Lest you think cell phone safety is as obvious as simply being aware of your surroundings (and yes, that's paramount), keep in mind that smartphone robberies, both violent and not, are common and growing in number. It's here where local police report that over 50 percent of robberies in 2012 were related to cell phones, and here where acts of violence have been perpetrated during tech-related robberies.

1. Get a case
Smartphones make good targets because their relatively small size makes them easy to snatch and hide, their ubiquity makes them easy to move, and their high value makes them a good return on a thief's investment, netting hundreds of dollars for a quick crime. The more premium the smartphone, the more money it brings in.

In addition to protecting your phone from scratches and breaks, a basic case can help conceal a distinctive phone's telltale markings. That's a detriment if you're trying to show off your handset's badass styling, but a benefit for maintaining a lower profile. Note: Even though they look better, a flashy designer case is like sticking a "steal me" marquee on your phone.

2. The claw
The best deterrent of all is to keep your phone hidden away when you're in public, where it's most vulnerable: on a bus or train, waiting in a square, walking down the street alone. But that isn't at all realistic. My phone is my own retreat, mobile workplace, and entertainment hub, too. I climb on a bus, my head nods down to meet the screen. I walk to work, fingers fly while I narrowly avoid smacking into light posts and other sucked-in pedestrians.

So here's what I suggest: grip the phone tightly in your hand, fanning out your fingers as much as possible so that you've formed a protective cage or claw around the phone. Better yet, weave fingers from both hands around the device, so that they're touching. This is especially beneficial for larger phones that are harder to hold onto and therefore easier to snatch.
Someone could still grab it from you, yes, but but you've now created a deterrent and the appearance of physically locking on to your device, even if you are completely absorbed.

P.S.: Try not to be completely absorbed. You might miss actual danger, like this tragic shooting of a college student that bus passengers missed while looking at their devices. Even if you’re melting into the Internet, it pays to be aware of your surroundings.

3. Adopt a paranoid posture
Phones aren't just connections to my personal life, they're also my livelihood, and I do not want to lose them. So I tend to take the claw technique one step further by training my body into a defensive posture that blocks access to my valuables: purse, phones, etc.

Even if you’re completely at ease in your surroundings, it helps to act cautious as a matter of routine. I really turned up the paranoid posture after a CNET reporter recounted how a thief on the bus stole a smartphone from his hands. The moment before the bus doors snapped shut, the perp (who had been waiting by the door) snatched the phone and dashed, trapping my colleague on the bus before he could react.

Here's how you do it: if you're sitting still, hunch your shoulders and turn your elbows out, lower your phone to your lap and perhaps position it behind a crossed leg. If you're walking while listening to a podcast or music, keep the volume low enough so you can hear others approach, and keep a hand on your phone. Glance around by habit, especially if you're talking on the phone, and resist the urge to gaze out at nothing. Targets that look aware are bigger risks.

4. Embrace the art of misdirection
I've heard stories from friends and friends of friends of people being trailed after leaving public transportation or a busy city square after striking up conversation with a "friendly" stranger who then mugs them for their electronics. Is that the fancy, new HTC One Bling Bling I’m carrying? Oh no, overly interested stranger. No, it is not. This is last year's model and it is fatally broken.

5. Make your phone hard to get, even for you
The easiest place to carry a phone is in your pocket, better yet a jacket pocket, but that's also the place a thief will look first. I've known several industry insiders and journalists who've had cell phones stolen from their pockets, purses, and backpacks, either quietly or as part of a crafty and elaborate plan. My last major piece of advice is to get into the habit of keeping phones you aren't holding as hard to extract as possible, like the inside pocket of a jacket, the interior pocket of a purse (with the purse clasped or zipped and with your arm blocking the zipper,) and so on. The goal, once again, is to make yourself more work for a thief.

What to do if your phone is stolen
Still, if some baddie does nab your phone, there are a few practical things you can and should do, beyond using a "find my phone" service or other software safeguard.

Report the theft to your carrier immediately. Your carrier will add it to a blacklist that will prevent anyone from using it to make calls or access the data network (Wi-Fi is another story, though). Also, activate any phones tracking and remote device management features at your disposal. Kent has full details in his feature.
Likewise, report the theft to local police right away. They may not be able to get you your phone back, but they may be able to help track thieves if lifted phones are sold through legitimate channels for cash, such as a Web site like Usell or EcoATM. The police also can use apps like Find my iPhone or Android Device Manager to locate your handset.

This may go without saying, but don't get physical with robbers. Another real-life anecdote: I know a woman who managed to run down an iPhone thief for six blocks in New York City, in heels, she was that mad. As impressive as her anger-fueled sprinting was, who knows what kind of weapons or force the panicked thief was prepared to use, or if he was running toward heavy-fisted cronies for backup support.

Especially once you've taken measures to secure your sensitive information, escalating a robbery into a potentially violent act just ain't worth it.

How about you?
Ultimately, the best advice to protect yourself from frustration and grief is to combine software security measures with physical, visual deterrents to make yourself and your phone smaller targets. Do you have any cell phone horror stories, or personal tips to share about smartphone theft prevention? Leave your advice and tales in the comments below.

WPTZ
**Police make more ecoATM-related arrests**
**November 19, 2013**
SOUTH BURLINGTON, Vt. — Police said the theft of stolen electronics is becoming an epidemic, and they said the enticement of getting quick cash for those devices is not helping.

It’s a story WPTZ NewsChannel 5 first reported in October. Since then, the South Burlington Police Department has dedicated a detective to investigating alleged stolen devices found in their two local machines.

Both are inside the University Mall on Dorset Street.

Police estimate 10 percent of the electronics inside the mall’s ecoATMs are stolen. That number is drastically higher than the .5 percent of stolen devices ecoATM estimates are in its custody.

The company has a unit committed to working with police agencies.

South Burlington and Burlington police have arrested nearly a dozen people linked to placing stolen goods in the machine, South Burlington Detective Ron Bliss said.

“It’s gotten to the point where they’re actually going into homes, going into businesses and stealing stuff and then bringing it to the ecoATM,” Bliss said.

The detective is spending so much time on ecoATM cases, his colleagues call him the “ecoATM cop.”

Bliss said the device, while having good intentions for the environment, is proving tempting to criminals.
In a recent case, a New Hampshire man allegedly stole a phone from an unlocked car at a South Burlington parking lot and later cashed it in to an ecoATM. Three days later, the same man cashed in a friend’s phone, Bliss said.

“The people that we have arrested on a number of occasions have actually told us when we’ve interviewed them, 'I need the money today, so I am going to steal what I can get cash for and where I can get cash is the ATM.'”

Police tell WPTZ that they have recorded stolen phones at the uMall machines from Burlington, Milton and South Burlington. Devices have come as far away as Stowe and Waterbury.

In Bliss’ most recent case, that man who returned with a friend’s phone allegedly stole it from a friend in southern Vermont.

The number of reported stolen items in the machine comes at a time when reports of stolen electronics is on the rise, Bliss said. From June to October 2012, one stolen electronic device was reported to South Burlington police. From June to October 2013, more than 30 were reported stolen.

Bliss said the machines are now widely accepted as a place where a stolen phone can end up.

“We have people calling us directly now,” Bliss said. “If they lose their phone in Milton or they lose it in Waterbury or Waitsfield, they're saying, 'Hey, I lost my phone.'”

Bliss said that is OK to do if you live in South Burlington. Otherwise, the best way to report a stolen phone is to call your local police agency.

“Unfortunately the days of the old Vermont and not locking your doors are gone,” Bliss said.

ecoATM spokesman Ryan Kuder previously told WPTZ, “Our policy is to do whatever it takes to cooperate with police and provide them with the information they need to investigate stolen phone cases. On the rare occasion a stolen phone ends up in a kiosk, we are fully committed to ensuring that the phone is returned to its owner and the thief is caught and prosecuted.”

TechFaster
5 Places to Sell Used Phones and Devices for Holiday Cash
November 19, 2013
As we are all beginning – or in some cases have already finished – shopping for the holidays, it is a perfect time to unload some old phones or devices for some extra cash. There is an ever increasing number of recommerce companies – those who repurchase used or old products – specifically for phones and mobile devices. However, these recommerce companies are not all created equal. We did a few tests and found these to be the best in recommerce:

A quick note: in addition to research and digging into these recommerce companies, we did a baseline price test with a Verizon iPhone 4 (16GB) in good condition.

1. Swappa.com
Swappa is the best bet to get the absolute maximum value for your phone or mobile device. However, if you are selling a phone/device that is not in high demand, you may be waiting a while for the sale. Think
of Swappa as a more secure, more thorough Craigslist. Swappa conducts a detailed review of all listings and all devices must be approved before they can be bought or sold. A Verizon iPhone 4 (16GB) in good condition is selling anywhere from $120 – $170 on Swappa.

2. TechPayout
TechPayout has a much, much faster sales cycle than Swappa. While you may not be able to get as much for your mobile phone/device, you will certainly get it quicker. After answering a few questions about your phone/device, TechPayout gives you a quote that is good for 30 days. You ship it to them – free – and TechPayout’s inspection team will ensure that the condition, make, and model of the technology matches the original quote. If the phone/device matches the quote, you receive the quoted amount via PayPal or check.

TechPayout is quoting a price of $81.75 for A Verizon iPhone 4 (16GB) in good condition with the USB cable.

3. iCracked
iCracked has been in the iPhone/iPad/iPod repair game for some time. In the summer of 2013, however, iCracked began buying all of the various iDevices. The process is pretty interesting, in-fact TechCrunch called the new service the “Uber” of buybacks. The whole process works very much the same as the iCracked repair service. Simply answer some questions about the device in question on the iCracked website and one of their iTechs will meet you whenever and wherever you choose and pay you cash. Pretty simple!

iCracked is quoting a price of $65.00 for A Verizon iPhone 4 (16GB) in good condition.

4. Gazelle
No doubt you’ve seen all of Gazelle’s commercials. Gazelle is – as far as we could find – the longest tenured of the recommerce companies, launching way back in 2006. The company ranks #767 on the Inc. 5000 and had a 2012 revenue of $57.6 M. Gazelle is as steady as they come. Anyhow, Gazelle’s buyback process is essentially identical to that of TechPayout above.

Gazelle is quoting a price of $60.00 for A Verizon iPhone 4 (16GB) in good condition.

5. ecoATM
The ecoATM is a unique approach to recommerce. Rather than answering some questions on a website about your phone/device, a seller just has to visit an ecoATM. According to their website, “The ecoATM is an automated, consumer self-serve kiosk that quickly evaluates and buys back used consumer electronics directly from consumers for cash.” The whole three step process only takes a few minutes:

ecoATM machine

1. Place your mobile device in the ecoATM test station.
2. The ecoATM will examine your device and then search for the highest price we can find in the worldwide market.
3. If you agree to sell it, you will receive cash on the spot. I was unable to visit an ecoATM kiosk myself, but found a few different prices. “Mom on Caffene,” reported receiving $53 for a badly damaged iPhone 4 – though no spec of the phone were given. Timothy Stenovec of the
Huffington Post reported that iPhone 4’s were going anywhere from $100 to $125 on ecoATM’s – the only specs given were that the phone was an AT&T iPhone 4.

San Diego Source
New staff at i.d.e.a.
November 13, 2013
Marketing firm i.d.e.a. has announced four new team members to its brand and creative disciplines. Amy Gelender, brand director, will lead i.d.e.a’s brand team on several accounts, including Qualcomm and ecoATM.

Burlington Free Press
Man suspected of electronics thefts held without bail
November 13, 2013
One of the men police believe sold stolen devices an electronics recycling machine was held without bail after being arraigned at Chittenden Superior Court Tuesday.

Brian Champine, 30, of South Burlington, was arraigned on several charges, larceny and sale of stolen property, police said. He was also accused of violating probation.

According to a Nov. 5 news release from police, Champine and another man, Justin L. Perkins, were believed to have sold stolen electronics to an ecoATM, a machine used to recycle cell phones, mp3 players and tablets in exchange for cash.

Perkins was cited for the sale of stolen property and was lodged at the Chittenden Regional Correctional Facility on an outstanding warrant, police said in a news release Nov. 5.

Police also believe Champine was involved with a home burglary on Shelburne Road Sept. 23 for which he had been previously charged with selling an electronic device, stolen from that home, to the ecoATM. Police have now accused him of burglary as well.

Both men were on probation, police said.

WPTZ Vermont
2 arrested in sales of stolen electronic devices
November 12, 2013
BURLINGTON, Vt. — An additional burglary charges has been filed against Brian Champine after Burlington Police say they have developed physical evidence linking Champine to a Shelburne Road burglary.

Champine was arraigned Tuesday on multiple charges relating to the September 23rd burglary and other unspecified offenses. He was also charged with violating probation. He was ordered held without bail.

This is a breaking new update. The original story appears below.

Two men were arrested in recent thefts in the Chittenden County area, according to the Burlington Police Department.
Justin L. Perkins, 29 of Colchester was charged with sale of stolen property. Brian W. Champine, 30, of Burlington was charged with larceny and sale of stolen property.

Perkins is accused of selling multiple electronic devices to the ecoATM, police said. Some of the electronics were connected to larcenies from cars in Burlington and South Burlington, police said.

Champine is accused of selling several devices at the ecoATM, police said. One of the electronic devices was stolen from a residence in South Burlington and another device was stolen from a Burlington church, police said.

Champine is accused of taking an electronic device from a residence after he asked the residents if he could rake their leaves, police said. The residents allowed him to use the bathroom in the house and he allegedly stole the device while inside, police said.

Perkins was held without bail at the Chittenden County Correctional Center on an outstanding probation warrant. Champine was issued a citation to appear in court.

The Baltimore Sun
Residents, officers to gather for annual Safety Summit
November 12, 2013
Baltimore County Police officers and southwest area residents will gather to share concerns and safety tips for the upcoming holidays at the second annual Safety Summit Nov. 18 at Christian Temple in Catonsville.

Sherry Welch, event organizer, has worked with representatives from the Wilkens Police Station on the 7 p.m. event as a way to increase communication between officers and civilians.

"The officers will be there to kind of give us an update as to what's happening in the community as far as safety issues go," Welch said.

More than 100 people attended the inaugural summit last year, the Catonsville resident said, and she hopes Wednesday's event will see as much, if not more, community support.

"We would anticipate that we would have people from throughout the southwest area," she said, noting that residents from Arbutus, Lansdowne and Medwick Garth, as well as the Catonsville area, attended the event last year.

Capt. Doug Irwin, commander of the Wilkens Station, said he plans to attend the event and is looking forward to the opportunity to exchange ideas directly with residents.

"We use it to heighten awareness," he said of the summit. "That's our one goal with those sorts of things.

"It's a method by which we communicate," Irwin said. "E-mail is great, but there's nothing better than sitting down with someone across the table and getting perspectives" [ on issues affecting the community.
Irwin said the main point of this year's summit would probably be to encourage residents to be aware of their surroundings when using their cell phones while walking outside after dark.

He said there has been a spike in what criminals are calling "Apple picking" — stealing unwary pedestrians' newer model iPhones and then selling them — and he and his team of officers are working to increase awareness about how to avoid being targeted.

Irwin said groups of young males, usually from Baltimore City, stole cars in order get into the area. "Then they were robbing as many people of their cell phones as they could in a short period of time," he said.

"Once stolen, cell phones can be dropped off at places like ecoATM. The company has nine kiosks within 10 miles of Baltimore City where one can insert a phone — theoretically an old phone to be recycled — and is instantly awarded a cash payout once the machine assesses its worth," he said. "I'm by no means blaming the victim," Irwin said. "You should be able to talk on your phone without someone taking it from you.

"You wouldn't walk down the street with $200 in your hand not paying attention," he said. "If you're on your cell phone, at least pay attention to your surroundings."

Welch said such tips help build the community's relationship with police and increase safety in the area. "I started it [the summit] last year because I think that safety is a mutual responsibility," she said. "We totally expect our police to look out for us. But at the same time, we have a responsibility to take care of ourselves as well.

"People want to be engaged, they want to be involved," Welch said. "This is our town, this is our county, and we want to keep it as good as it can be for everyone."

Socaltech.com
ecoATM Gets Tough On Stolen Cell Phones With New Hire
November 12, 2013
San Diego-based ecoATM, the developer of those automated kiosks used for trading in your old cell phones, is getting tough on the use of its kiosks by cell phone thieves, saying Tuesday that it has appointed the former Deputy Commissioner of the California Highway Patrol to deter cell phone theft. ecoATM--which is now part of Outerwall (formerly Coinstar)--said that Max Santiago has been named Law Enforcement Relations. ecoATM says it currently monitors all of its transactions, collects fingerprints, photos, and identification when users trade in their devices, in order to discourage the use of its kiosks by criminals. ecoATM said that Santiago headed up day-to-day operations of the CHP, including heading up crime prevention, counter-terrorism operations and homeland security for the agency.

Northeast Times
Cell phone buying machine ban moves forward in PA
November 12, 2013
The city has seen an in-crease in cell phone thefts. A state bill to ban ma-chines which pur-chase old cell phones is mov-ing for-ward on the grounds they of-fer phone thieves a quick pay-ment.
A bill that out-laws auto-mated cell phone pur-chas-ing ma-chines like two in Phil-adel-phia was voted fa-vor-ably out of com-mit-tee Oct. 24.

But be-fore call-ing Bill 130693 for fi-nal pas-sage, its au-thor, Coun-cil-wo-man Blondell Rey-nolds Brown, wants to form a task force with rep-res-ent-at-ives of the Po-lice De-part-ment, the dis-trict at-tor-ney’s of-fice and SEPTA to make sure the city will do all it can to re-duce mo-bile phone thefts, which she called the city’s No. 1 crime.

The River Wards Crime Watch re-por-ted in Septem-ber a sig-ni-fi-cant in-crease in phone thefts, stat-ing on its web-site that “crim-in-als are so brazen to snatch the phones right out of people’s hands.”

The Phil-adel-phia Po-lice De-part-ment also re-por-ted in Oc-to-ber that it was look-ing to iden-ti fy two sus-pects for theft of cell phones at a T Mo-bile store in Fishtown, at 2439 Ara-mingo Ave.


Bal-timore’s City Coun-cil banned the ma-chines in Septem-ber, claim-ing they re-ward phone thieves with easy-to-get cash.

Eco-ATM rep-res-ent-at-ives denied that Oct. 24 in testi-mon-y be-fore coun-cil’s Com-mit-tee on Pub-lic Safety and said only a very small num-ber of devices its ma-chines have pur-chased were found to be stolen.

There have been more than 5,800 thefts in-volv-ing mo-bile phones in Phil-adel-phia so far this year, Po-lice De-part-ment ad-viser Fran-cis Healy told the com-mit-tee. That stat-is-tic has been on the rise since 2010, he said.

Ryan Kuder, a spokes-man for San Diego-based eco-ATM, claimed, how-ever, that his com-pa-ny ac-tu-ally is in good po-si-tion to de-tel-smart-phone thefts be-cause an em-ploy-ee mon-it-ors each trans-ac-tion and be-cause the com-pa-ny keeps re-cords of who sells what to its ma-chines and shares that in-form-a-tion with law en-force-ment.

The As-so-ci-ated Press re-por-ted ear-li-er this year that 1.6 mil-lion smart-phones were stolen in 2012 and that one out of three rob-ber-ies na-tion-wide in-volves smart-phones. New York At-tor-ney Gen-er-al Eric Schnei-der-man told the AP that New York state last year ex-per-ienced a 40 per-cent spike in cell phone thefts. He ad-ded that stolen cell phones na-tion-wide cost con-sumers more than $30 bil-lion last year.

Kuder stated his com-pa-ny’s ma-chines aren’t likely to be used by rob-bers who want to ex-change stolen phones for ready cash.

“A per-son on the eco-ATM team ap-proves every trans-ac-tion at every eco-ATM to com-bat fraud-u-lent sales,” Kuder said in an email. “We check for val-id ID, make sure the per-son stand-ing in front of the kiosk is who they say they are, take mul-ti ple pho-to-graphs of the seller, scan the seller’s ID and col-lect their thumb-prints. We fully com-ply with all rel-ev-ant laws and reg-u-la-tions wherever we op-er-ate.”
Kuder said the company exceeds legal requirements by holding all devices for 30 days and by collecting and reporting more detailed information than the law requires.

“With all these security features, thieves tend to avoid eco-ATM,” Kuder continued.

The company has recycled more than a million devices in its 650 eco-ATM kiosks nationally, he said, and only a very small percentage of the phones the company collects are reported stolen, Kuder stated.

“If a thief does try to slip in a stolen phone, we cooperate fully with local police,” he added. “We also return the phone to the victim, free of charge.”

The company has had its two machines in Franklin Mills since August 2012, Kuder said. Even if Philadelphia does outlaw automated purchasing machines, that doesn’t mean they won’t be available in the suburbs.

San Diego Business Journal
D&K Grows Revenue, Local Manufacturing Operations
November 12, 2013
D&K Engineering Inc. reported revenue in the $80 million to $100 million range during the fiscal year that ended Sept. 30. That is up from $63.7 million in 2012 and $37.0 million in 2011.

Privately held D&K, based in Rancho Bernardo, said that a local subset of its business — San Diego manufacturing — grew more than 90 percent over the past 12 months. The business offers a spectrum of services from initial design to final manufacturing. Some of the San Diego manufacturing resulted from research and development work transitioning to the next stage in the product-development cycle.

D&K also does some of its work in Singapore.

The company makes a variety of products, including medical devices and self-service kiosks. It makes the kiosks for San Diego-based EcoATM that buy back cell phones. Publicly traded Outerwall Inc., whose businesses include Coinstar and Redbox, acquired EcoATM for $350 million in July.

CNBC (EON, 4-Traders, YAHOO! Finance, Virtual Strategy Magazine, Wearable Tech, Business Wire)
ec0ATM Names Former Deputy Commissioner of the California Highway Patrol, Max Santiago, as Director of Law Enforcement Relations
November 12, 2013
SAN DIEGO—(BUSINESS WIRE)—ecoATM, the company that enables consumers to recycle used mobile phones, tablets, and MP3 players, today announced the appointment of Max Santiago as ecoATM’s Director of Law Enforcement Relations. Director Santiago brings over 32 years of law enforcement experience to ecoATM and will lead its commitment to working closely with law enforcement agencies to deter and combat cell phone theft.

Director Santiago served as the Deputy Commissioner of the California Highway Patrol (CHP) and was a member of the CHP for 30 years. The CHP is comprised of over 11,500 personnel and is the largest state police agency in the U.S. and the fifth largest police organization in the country. As Deputy Commissioner, Director Santiago was responsible for the day-to-day operations of the CHP and provided executive level oversight over a wide range of the CHP’s activities including crime prevention, counter-
terrorism operations and homeland security. Director Santiago previously served as the CHP Inspector General and Chief Audit Executive.

"I am impressed with the cutting edge technologies used by ecoATM in recycling electronic devices. The company is filled with ethical, hardworking people who are committed to establishing partnerships with law enforcement to address the issue of cell phone theft," said Director Santiago. "Because ecoATM monitors every transaction, collects fingerprints, photos and identification, and shares information proactively with local police, the company can play an extremely helpful role in the rare instances when a thief tries to sell a stolen phone."

“Max brings tremendous law enforcement experience, knowledge and relationships to ecoATM,” said Mark Bowles, ecoATM’s founder and Chief Marketing Officer. “He will be instrumental in leading our ongoing efforts to build strong connections and partnerships with law enforcement across the country, as we continue our work to make ecoATMs the worst place for criminals to try and sell stolen property.”

In addition to his work leading law enforcement relations, Director Santiago will also coordinate with ecoATM’s Law Enforcement Advisory Board. The members of the Law Enforcement Advisory Board have more than 200 combined years of municipal and state experience and members advise ecoATM on topics such as how to best communicate and effectively share data with law enforcement professionals. ecoATM was recently recognized by the FBI-Law Enforcement Executive Development Association for playing a constructive role in addressing cell phone theft and voluntarily partnering and sharing data with local police.

Director Santiago will play a leading role in an upcoming conference for law enforcement professionals focused on strategies to prevent and combat mobile phone theft, co-sponsored by the FBI-Law Enforcement Executive Development Association, Inc. (FBI LEEDA) and the FBI National Executive Institute Associates (FBI NEIA). The conference will be held in San Diego on December 11-13, 2013.

Director Santiago earned a Bachelor of Science degree in Criminal Justice, Law Enforcement Management and Investigation from California State University, Sacramento. He is a graduate of the FBI National Academy, Quantico, Virginia.

Director Santiago also honorably served in the California Army National Guard and in the U.S. Army Reserve for over 21 years as a Military Police Platoon Sergeant and a Special Agent in the U.S. Army Criminal Investigation Division Command. He is a veteran of the Persian Gulf War.

About ecoATM

ecoATM, a subsidiary of Outerwall Inc. (Nasdaq:OUTR), is the first company to create an automated self-serve kiosk system to buy back old phones, tablets or MP3 players for cash. ecoATM uses patented, advanced machine vision, electronic diagnostics, and artificial intelligence to evaluate electronics. ecoATM’s eCycling stations provide a convenient trade-in solution with features that validate sellers’ identities and deter the sale of stolen phones, and the company works closely with local law enforcement (http://ecoatm.com/law-enforcement.html)

ecoATM holds both Responsible Recycling (R2) and ISO14001 certification, confirming the company’s commitment to maintaining the highest standards of electronics recycling, as well as ISO27001 certification for information and personal data security. See http://www.ecoatm.com/how-it-
MyChampainValley.com
Police Make Arrests in Burlington, VT Recent Thefts from EcoATM Machines
November 5, 2013
BURLINGTON, Vt. - Police made arrests in Burlington, Vt. in recent thefts from EcoATM Machines.

Police say they arrested Justin Perkins, 29, of Colchester, Vt., and Brian Champine, 30, of South Burlington, Vt., for selling stolen property. Some of the electronics were connected to larcenies from motor vehicles in Burlington and South Burlington.

EcoATM says Perkins and Champine were caught because of information that ecoATM provided. All of the machines capture pictures, thumbprints and serial numbers of the cell phone.

Police say Champine offered to rake someone's leaves and then stole a device from them.

Perkins was issued a citation for sale of stolen property and was lodged at the Chittenden County Correctional Center on an outstanding probation warrant. Champine was issued a citation for larceny and sale of stolen property.

Both men were already on probation.

Times Republican
ecoATM Kiosk now at Marshall Town Center
November 4, 2013
An ATM that recycles personal electronics while paying customers cash is now available at Marshall Town Center, 3500 S. Center St.

The ecoATM Kiosk recycles used cell phones, tablets and MP3 players and is near Riddle's Jewelry by the mall's main entrance.

"We know that many of our customers have old, unused electronics stuffed away in closets and drawers," said Ken Huge, mall general manager. "Now, with the proliferation of new tablets like the iPad mini and new phones, ecoATM is here to help people recycle their old devices and put money in their pockets."

The machine was installed Oct. 29 and shoppers have been curious, Huge said.

By recycling personal electronic devices, each ecoATM saves the energy equivalent of removing 22 houses from the power grid and reduces green house gasses equivalent to removing three cars from the road.

ecoATM has installed more than 550 kiosks in 38 states and finds a second life for 60 percent of the devices it collects and recycles others.
The company, headquartered in San Diego, Calif., is the first company to create an automated self-serve kiosk system that uses a patented system of high-tech electronics to evaluate and buy back used electronics directly from consumers for cash or store credit.

It incorporates features that validate sellers identity to deter the sale of stolen phones in cooperation with local law enforcement.

Mall business hours are 10-9 p.m. Monday-Friday, 10-7 p.m. Saturday, and noon to 5 p.m. Sunday. For more information visit marshalltowncenter.com, or 641-752-6200.

Philly Burbs
New "ATM" takes old phones and gives back green
November 1, 2013
When new cellphones or tablets enter the marketplace, yesterday’s hot technology can quickly become obsolete for some consumers. For others, the device still has value as an affordable alternative, or even as spare parts.

With support from the National Science Foundation, ecoATM of San Diego has developed an automated system that lets consumers trade in those devices for reimbursement or recycling.

Using sophisticated artificial intelligence, ecoATM kiosks can differentiate consumer electronics products and determine a market value. If the value is acceptable, users can receive cash or store credit for their trade — or donate all or part of the compensation to one of several charities.

The ecoATM organization finds new homes for 75 percent of the phones it collects. It sends the remaining ones to environmentally responsible recycling channels to reclaim any rare earth elements and keep toxic components from landfills.

The first ecoATM kiosks were launched in 2011. The company expanded to the Washington, D.C., metropolitan area and other areas along the East Coast this month and plans to have more than 300 kiosks deployed by the end of 2012 in shopping malls and large stores across the country. In Bucks County, there’s a kiosk in the Neshaminy Mall in Bensalem near Gordon’s Jewelers and another in the Oxford Valley Mall in Middletown near Cold Stone and McDonald’s.

When a user places a device in an ecoATM kiosk, the artificial intelligence system conducts a visual inspection, identifies the device model and robotically provides one of 23 possible connector cables to link it to the ecoATM network (the company warns consumers to erase all personal data before recycling).

Using proprietary algorithms, the system determines a value based on the company’s real-time, worldwide, pre-auction system. Within that system, a broad buyers network has already bid in advance on the 4,000 models in eight possible grades, so the kiosk can immediately provide compensation.

A number of robotic elements enable the kiosk to safely collect, evaluate and then store each device in a process that only takes a few minutes.

“The ecoATM project is an extremely innovative way to motivate the public with an incentive to ‘do the right thing’ with discarded electronics, both socially and environmentally,” said Glenn Larsen, the
National Science Foundation program officer overseeing the ecoATM grants. “This may change behavior from simply dumping unwanted electronics to a focus on recycling, while helping put more hi-tech devices in the hands of others that might not otherwise be able to afford or acquire them.”
-National Science Foundation

Daytona Beach News Journal
ATM at mall that pays cash for cellphones, tablets worries Daytona Beach police
October 30, 2013
DAYTONA BEACH — The screen atop the new ecoATM at Volusia Mall proclaims it's “Good for the planet” because it swallows up and pays for used cellphones and other electronic devices that could otherwise be thrown away and damage the environment.

But Daytona Beach police say this ATM is bad for the city.

Detectives are fretting that the machine — installed earlier this month at the mall near the food court — will encourage thieves to steal cellphones, MP3 players and tablets in exchange for a fistful of dollars.

Here's how the machine works: an individual taps the screen on the ATM and inputs a cellphone, MP3 player or tablet such as an iPad or Kindle. The machine scans the device and assesses how much it's worth. If the person accepts the amount offered by the ecoATM, then he or she puts in a driver's license, touches the screen for a thumb print and their picture is taken by the ATM.

The machine then spits out cash depending on the condition of the device. It's possible the device wouldn't be worth anything and if the person making the phone swap doesn't like the quoted purchase price, he or she may cancel the transaction.

EcoATM officials in San Diego, however, say they have taken all the precautions necessary to deal with stolen devices if they receive them.

“We tell the police about all the phones we are purchasing,” said ecoATM spokesman Ryan Kuder. “We update the information into the Leads On Line database daily.”

Leads on Line is a database that police check daily and where pawn shop owners, for example, enter all items brought into their establishments. This is how investigators are able to track stolen goods. Kuder said ecoATM will update the website daily with information regarding all the devices that are inserted into the machine at the Volusia Mall.

Regardless, Police Chief Mike Chitwood and Sgt. Mike Griffin believe the machines will prompt the thefts of the three types of electronic devices the ecoATM accepts.

“The potential for crime going up because of the ease of getting rid of merchandise is huge,” Griffin said last week after he mentioned that the machine would be coming to the Volusia Mall. “Our legal department is looking into it to determine if this company fits in with our ordinances.”

The sergeant said the problem here is “you're dealing with a computer.”
"How do they know the driver's license isn't stolen and you just pasted your picture over it to make it look legitimate?" Griffin asked. "The problem is we can't inspect the merchandise, we can't inspect your ID."

Chitwood said he received a call from the deputy chief in Washington, D.C., with concerns about the potential for crime in that area. There are no ecoATMs in D.C., but there is one in Annapolis, Md., and in Glen Burnie, Md., ecoATM's website shows. In September, Maryland Delegate Luke Clippinger — who represents the 46th district in Baltimore — told the daily online journal Baltimore Brew that he's drafting legislation that would ban ecoATMs across the state. Chitwood said Daytona Beach's legal department is looking into whether the city can craft an ordinance that would do the same thing.

Kuder said his company wants nothing more than to work with police.

"We tell the police, 'Here's all the phones we're purchasing,'" Kuder said. "The machine has already scanned your driver's license, taken your picture and has your thumbprint.

"If you stole a cellphone, then we have all the information and we give it to police," he added.

Once a device is ingested by the ecoATM, it stays in the machine for about a week, Kuder said. The machines are then emptied out weekly and the devices are shipped to the company's headquarters in San Diego. The devices are cataloged and stored in a warehouse for about 30 days.

"If we learn that we have a stolen device, we send it back via FedEx within 24 hours," Kuder said. "We don't want stolen devices because we lose money."

EcoATMs — whose parent company Outerwall, Inc., makes the popular Redbox DVD rental dispenser machines and Coinstar, which exchanges coins for cash — refurbishes, recycles or "responsibly disposes" of devices it buys.

Only one in every 1,500 cellphones the company obtains is stolen, Kuder said.

**WCAX**

**SBPD concerned about cash-for-cell phone machine**

**October 30, 2013**

SOUTH BURLINGTON, Vt. - The ecoATM... a quick, easy way to get cash for your old smart-phone or tablet device. It's an ATM-like machine by the food court of the University Mall in South Burlington. Customers deposit their worn-out or unused gadgets inside and the machine spits out money.

But with the good, comes the bad. "We started to notice a lot of the same people selling a lot of phones and a lot of them we noticed were newer phones, which is when we realized that we definitely had to pay more attention. We started running the serial numbers and starting to find they were stolen," said South Burlington Police Det. Ron Bliss.

South Burlington Police say cell phone thefts are up and they believe it's due to the instant cash from the machine. The ecoATM has it's ways of sorting out criminals from the honest customer, but detectives say there are still those selling stolen property. "People have used a different ID then the person who's actually standing in front of it. It's not as fool proof as it could be," Det. Bliss said.
The ecoATM snaps a picture of every customer exchanging a phone for money, along with asking for your photo ID and fingerprint, so while criminals may think it's a quick and easy way to get cash, it may be a quick and easy way to get caught.

In a statement ECO-ATM said: "No one else in the industry partners with the authorities like ecoATM."

But even with these security measures, police have their doubts. "The problem for us is all those people are coming here to our mall to use that machine and I don't think it's worth the benefit," Det. Bliss said.

Both ecoATM and police say people should always report a theft if it occurs, to help catch the thieves.

**Seven Days**

*Responsible Recycling or Digital Pawnshop? Why Vermont Cops Are Worried About ecoATMs*

**October 30, 2013**

The entrepreneurs behind ecoATM say their kiosks — four of which were installed earlier this year in Chittenden County — are a convenient solution to the problem of consumer electronic waste: You plug your old phone into the machine, which assesses its value and, five minutes later, walk away with cash.

But what’s going on when someone unloads a brand-new iPhone, or regularly sells dozens of devices through the machine?

“That’s not you cleaning out your junk drawer,” suggests South Burlington deputy police chief Paul Edwards.

Along with detectives at the South Burlington PD, Edwards is complaining that ecoATMs are making electronics more tempting to thieves looking for quick cash from around the state. In response, ecoATM says that cellphone theft is nothing new, and the company’s unparalleled security measures often help police catch criminals.

There are currently four ecoATMs in Chittenden County: two in the Burlington Town Center on Church Street and two in the University Mall in South Burlington.

These kiosks appeared in May and June and, while the company isn’t releasing hard numbers, ecoATM spokesman Ryan Kuder says they’ve so far collected “a couple thousand” devices. Nationally, ecoATM is able to pay cash for about 60 percent of the devices it collects. The rest — those deemed worthless — either get recycled or disposed of.

The process is simple: Sellers place their machines in the ATM, which then uses technology to identify the phone make and model. ecoATM then offers the seller a price based on the phone’s resale value and condition.

“We’re first and foremost an environmental solution for people to get rid of their old devices,” says Kuder. “We just don’t want them winding up in landfills.”

And there are a lot of devices to get rid of: Kuder says that Americans purchase between 150 and 170 million new phones every year. “There’s estimates that put the number of phones just sitting around between 300 million and half a billion,” he says.
The San Diego-based ecoATM — which was acquired for a cool $350 million earlier this year by the same company that operates Redbox and Coinstar kiosks — contends that the vast majority of transactions at their kiosks are legitimate: Kuder says just one in roughly 1500 of the devices it collects is later reported lost or stolen.

But South Burlington detective Ron Bliss — who gets reports of all the transactions at the South Burlington ecoATMs — thinks the local number is closer to one in 10. The SBPD received one complaint of a stolen phone from June to November, 2012, compared to the 22 complaints since the ecoATM was installed in June of this year, Bliss says. He and others in the department started worrying as soon as the machines were installed, but it took a few months for cases to start cropping up.

“You offer a service for cash — it’s just too inviting,” says Bliss. “That was our concern, and it’s becoming true.”

South Burlington police have already made at least three arrests involving ecoATMs, and Bliss says he has several more cases on his desk awaiting charges. He estimates he’s worked on solving more than a dozen ecoATM thefts in the last two months, in addition to assisting other police departments in Vermont that have tracked stolen phones to South Burlington.

Some citizens themselves have found their own missing gadgets by using apps like Find My iPhone to track the hot property to the kiosks in the malls.

That was the case in late September, when Bliss helped a Milton resident hunt down his stolen iPhone in the South Burlington mall. In the process of retrieving the phone from the kiosk — it just sits in there until someone from the company collects the contents — Bliss noticed a brand-new iPad mini in the machine that also turned out to be stolen. He traced the serial number to a device lifted from a home on Shelburne Road. When ecoATM turned over the data from the transaction, Bliss arrested Brian Champine on a charge of possession of stolen property. Champine, who later claimed he got the iPad as a gift, had sold it to the machine for $144.

Kuder says that ecoATM has no interest in facilitating crime.

“Every single phone that we collect that turns out to be lost or stolen costs us money,” says Kuder, pointing to the company’s policy of shipping hot devices back — overnight — to police departments. “That’s why we’ve spent the time and the money and the technology ... to deter on the front end.”

The kiosks have a few built-in safeguards intended to discourage fencing stolen goods. You have to show a valid ID card and supply a thumb-print to complete a transaction, which an ecoATM employee watches on video, in real time. The machine also makes abundantly clear, through several notices and stickers, that ecoATM collaborates with local law enforcement. That means the company doesn’t ask for a subpoena or warrant before it turns information over to the cops; users have to agree to those terms of service during the course of the sale.

The company can flag individual devices by serial number, so that ecoATM and local police will know if they’re ever sold to one of the kiosks. ecoATM will even blacklist individuals at the request of local police — though that didn’t stop 21-year-old Winooski man Stephen Francis. Police arrested Francis on October 26 for allegedly stealing an iPhone from the lobby of the Anchorage Inn in South Burlington, an act caught on tape by the motel’s security camera.
Francis had already been banned for allegedly using the ecoATM to sell stolen goods on an earlier occasion. So this time, according to the police affidavit, he got the idea to recruit someone else — a woman at the University Mall — to sell a phone to an ecoATM kiosk there. The two allegedly split the proceeds: $60.

Bliss isn’t alone in his concerns about ecoATM and its crime connection. Last month Baltimore’s city council banned the kiosks within city limits, and two Maryland legislators have said they’ll draft a law to take the prohibition statewide. It’s a decision that Kuder says is “incredibly disappointing,” based on misconceptions that users can “pop the phone in the top” of the machine “and it shoots hundred-dollar bills out.”

Unlike Bliss and Edwards, Burlington police chief Mike Schirling isn’t convinced the ecoATMs have caused any uptick in stolen electronics; he says there’s always been a market for those goods. Some were traded directly for drugs, and others went out of state to be sold in larger cities. So far, Schirling says, the Burlington PD has no complaints about ecoATM.

“Theyir system of checks and balances is unrivaled in the secondhand industry,” says Schirling.

Vermont State Police trooper Benjamin Katz concedes that ecoATM does a better job than most in working with police, but he says the company doesn’t go out of its way to highlight obviously suspicious transactions. The popularity of the machines raises a larger question, says Katz, about the necessity of regulating secondhand sales.

“People steal what they can sell,” says Katz. “They don’t want the product. They want the money for their drug habit.”

Ironically, though, the data from ecoATMs — including video footage, fingerprints and IDs collected during transactions — have the potential to make it easier for police to arrest individuals for possessing stolen goods.

Bliss sees it as a net loss. He wants to see the machines gone — or, at the very least, have stronger safeguards in place. For example, he wants ecoATM to keep its purchased and recycled phones in the state for at least 30 days, in order to give police more time to determine if any stolen goods are among them.

In the meantime, he says that ecoATM cases are taking up about half of his time these days. And it’s not just South Burlington goods he’s uncovering in the kiosks; he’s seeing stolen property from all over the state, which Bliss attributes to the University Mall’s proximity to Interstate 89.

“Unfortunately, the city doesn’t need any more people coming in that are in the process of committing crimes,” says Bliss. “We have enough of our own.”

MyChampainValley.com

ecoATM Defends Kiosks After Theft Problem

October 30, 2013

SOUTH BURLINGTON, Vt. - The company behind so-called ATM’s at the University Mall is defending the kiosks.
ecoATM's pay people for used cell phones. But police say since the machines were installed earlier this year, cell phone thefts have increased.

ecoATM says it works to help prevent cell phone theft and says it goes above and beyond the law to document each person who deposits a phone.

"Our policy is to do whatever it takes to cooperate with police and provide them with the data they need to investigate stolen phone cases, and we are committed to working with local police to fight cell phone crime," says ecoATM in a statement.

While South Burlington police say they believe about ten-percent of phones deposited are stolen, the company says nationally less than one-percent are stolen.

Philly.com
City Council examines cell-buying kiosks' criminal potential
October 25, 2013
CITY COUNCIL is taking a close look at fully automated kiosks that dish out cash for used electronic devices - with one eye on Philly's climbing cellphone-theft rates.

The robo pawn shops accept used phones, tablets and MP3 players, assess their value and instantly pay up.

Council's Public Safety Committee invited law-enforcement and industry representatives to a City Hall hearing yesterday to discuss banning the machines. They decided to form a task force to further examine their risks.

"This is a first step in figuring out how we solve Philadelphia's No. 1 crime," said Councilwoman Blondell Brown, sponsor of the proposed ban.

An August AAA report named Philly the top city for smartphone theft. Police have counted more than 5,800 cell thefts so far this year, with significant yearly jumps on public transit and university campuses.

San Diego-based ecoATM, a leading provider of cell-for-cash machines, has placed two in Philly since 2012 - Cheltenham Mall and Franklin Mills - and maintains more than a dozen in surrounding suburbs.

"Theft is bad for our business," said Max Santiago, director of law-enforcement relations for the company and a 30-year police veteran.

The machines photograph users and require fingerprints and photo IDs. Transactions are recorded and referenced with theft databases. If police track a stolen cell to an ecoATM, the company ships it back to the owner.

Of the more than 35,000 devices processed by area machines in the last year, 43 were deemed possibly stolen, Santiago said.
Maureen Rush, public safety vice president at the University of Pennsylvania, said retrieving phones doesn't go far enough. She points to the traumas associated with the record 90 campus-area phone thefts reported this year.

"This technology is really great in that it helps us capture [thieves], but how many people need to get robbed in between?" she asked.

SEPTA Police Chief Thomas Nestel suggested delaying the machines' instant cash so brazen criminals aren't paid before police catch them. He noted that a significant chunk of SEPTA offenders return to rob after multiple arrests.

A spokesman for ecoATM said they don't have plans to expand here, but are open to the possibility. Philly's current pair of kiosks is still open for business.

**CBS Philly**

*City Council Hears Arguments About Potential Ban On Used Cell Phone Kiosks*

*October 24, 2013*

PHILADELPHIA (CBS) – A company that makes ATM-style kiosks which offer cash for used cell phones is fighting an effort to ban them in Philadelphia. Officials of the firm will appear at a City Council hearing later today.

A council committee is considering a ban on EcoATMs, devices that buy back used phones and that have already been banned in Baltimore. But the devices take precautions.

“To protect you and other EcoATM customers, I also need to collect your thumbprint and your signature, and compare your photo to your ID,” Spokesman Ryan Kuder said.

“We do that so we can identify people who may have passed fraudulent devices through the EcoATM.”

And Kuder says those ID efforts are a deterrent.

“When most people see this screen, if they have a stolen phone in their pocket, they have a tendency to walk away.”

The sponsor of the proposed ban, Councilwoman Blondell Reynolds Brown, believes the machines would encourage cell phone theft. Kuder says their ID records have already lead to five arrests in Philadelphia.

“In all of those cases we’ve been able to provide them with the information about the sellers. We’ve been able to lead to several arrests with them, and we’ve been able to get the phones returned to the people who lost them.”

There are only two such machines in Philadelphia, both at the Franklin Mills Mall.

**The Press-Enterprise**

*RIVERSIDE: City fires lobbyist over new client*

*October 24, 2013*

Politics often make strange bedfellows, but recently Riverside’s bed got crowded enough that someone is going to be sleeping on the floor.
Earlier this week, the city fired its Sacramento lobbying firm, Nielsen Merksamer Parrinello Gross & Leoni, after the firm took on a new client that city officials thought created a conflict of interest. That client, according to Riverside, is ecoATM – the San Diego-based company whose cash-for-cell phone kiosks Riverside banned in August.

EcoATM, whose machines pay people to recycle old personal electronics, appears highly regarded both as a tech industry innovator and as a friend to the environment. But in some cities, law enforcement and elected officials worry the kiosks may reward theft and perhaps even encourage it.

Riverside and Baltimore have banned the machines, and Philadelphia officials were set to discuss the issue Thursday, according to news reports.

On Tuesday, Oct. 22, Riverside City Attorney Greg Priamos told the City Council that Nielsen Merksamer had notified the city it was considering taking EcoATM as a client, and then proceeded to do so despite the city's objections. Riverside has paid the lobbyists more than $350,000 since hiring them seven years ago.

“They seemed to believe that they could engage in lobbying efforts (for ecoATM), and somehow whatever is done in Sacramento would somehow exempt or grandfather the city of Riverside’s ban on ecoATMs. We beg to differ,” Priamos said.

A Nielsen Merksamer employee who answered the phone Wednesday said the firm wasn’t likely to comment, and no one there responded to a subsequent message.

EcoATM officials also declined to comment on the matter.

Riverside officials haven’t yet said when they intend to seek a new state lobbying firm.

**MarketWatch**

**Outerwall profit surges on ecoATM-related gain**

**October 24, 2013**

Outerwall Inc.'s OUTR -0.02% third-quarter profit more than doubled on a gain tied to the company's equity interest in ecoATM, which the kiosk operator fully acquired this summer. Results were also bolstered by higher revenue from Redbox movie-rental machines and Coinstar kiosks.

Shares jumped 6.5% to $66 in after-hours trading, as Outerwall’s results were mostly rosy compared to the weak guidance it issued last month.

Outerwall is one of the few still standing in the business of renting DVDs, as the market swings toward on-demand and digital viewing. The company, which recently changed its name from Coinstar Inc., has set its sights toward new uses for its vending machines. Those efforts have included dispensers for coffee and fresh meals.

Looking ahead, Outerwall sees current-quarter core earnings between $1.09 to $1.24 a share on $585 million to $610 million in revenue. Analysts polled by Thomson Reuters had expected $1.19 and $597 million, respectively.
Outerwall previously trimmed its expectations for Redbox in the current quarter, expecting an increase in single-night rentals and to adjust for a movie slate that is being affected by later releases in the quarter or a move into 2014.

For the year, Outerwall narrowed its expectations, now seeing an adjusted profit between $4.89 to $5.04 a share on revenue of $2.3 billion to $2.33 billion.

For the latest quarter, Outerwall reported net income of $82.7 million, or $2.95 a share, up from $36.8 million, or $1.14 a share, a year earlier. Excluding a gain on the interest in ecoATM, acquisition costs and other items, adjusted earnings fell to 97 cents a share from $1.26. Revenue climbed 9.3% to $587.4 million.

The company in September cut its expectations for the quarter, issuing a downbeat guidance of core earnings between 82 cents to 94 cents a share on $569 million to $589 million in revenue. Revenue from Redbox, the company's biggest top-line contributor, climbed 7% to $491.7 million. Coinstar sales grew 2.6%, to $79.6 million.

**Tech Crunch**

*Keen On... ecoATM: The Green Solution For Selling Old Phones And Tablets*

_October 22, 2013_

It's always nice to see a Crunchies winner mature into a successful business. Last year, ecoATM – a network of automated recycling stations for old phones and tablets – won the Crunchie award for “Best Clean Tech Start-Up”. And in July of this year, ecoATM was sold to Outwall for $350 million. As founder Mark Bowles told me, ecoATM is more than just a profitable business. The automated stations, Bowles proudly told me, “take everything” including totally broken phones – so even when the second-hand products have no monetary value, ecoATM still recycles them in an environmentally correct manner.

Bowles has a bold vision for the San Diego based ecoATM. The company already has 650 recycling stations in 41 U.S. states and is running a trial of its service with Walmart. It recycled its millionth phone in April of this year and expects to hit the 2 million phone mark next month. But in the future, Bowles says, he wants ecoATM stations to be within 5 miles of 90% of the U.S. population. It's encouraging when a company can be simultaneously profitable and good and I wish ecoATM luck in becoming the major player in the increasingly lucrative recycling business.

**The Lantern**

*‘ATMs’ offer cash for old phones, electronics*

_October 21, 2013_

Kiosks located at shopping centers such as Easton Town Center and Eastland Mall are helping the environment and thieves alike.

The machine, called an ecoATM, is an “automated, consumer self-serve kiosk that quickly evaluates and buys back used consumer electronics directly from consumers for cash,” helping the environment by allowing consumers to recycle their old electronic goods instead of throwing them away, according to its website.

In the Columbus area, ecoATM has recycled thousands of phones since it launched last October, John Hartz, an ecoATM spokesman, said in an email. Nationwide, more than 1 million phones have been recycled using the kiosk. There are seven ecoATMs in Central Ohio, including one at Easton Town
Center, two at Eastland Mall and one at a Walmart on Georgesville Road, according to the ecoATM website.

Some students said they would consider using the machines.

“It sounds convenient,” said Jocelyn Browning, a fourth-year in English and public affairs.

Other students said they thought using the machine sounded better than the alternative.

“It’s better than throwing (the phone) away or it ending up in a landfill,” said Carl Bloecher, a first-year in aviation management. “I would use it. It depends on how much they’d give me. (I would also) compare the prices online.”

Gabrielle Stokes, a third-year in human nutrition dietetics, said she wouldn’t use the ecoATM.

“I trade mine in (whenever I get a new phone) to give to Sprint to reuse or recycle,” Stokes said.

To complete a transaction with the ecoATM, sellers put the device in the machine and wait for the kiosk to search for the highest price, according to the ecoATM website. If sellers agree to sell their devices, they follow the instructions, agree to the conditions and are paid instant cash, depending on the phone model and condition.

The kiosk uses dual high-resolution cameras to take sellers’ photos and a serial number capture to track the devices in addition to requiring sellers to submit basic personal information like their driver’s licences and electronic thumbprint by way of identification.

The Columbus Division of Police focused some of its attention on ecoATMs during the summer when it had officers investigating phone thefts.

Criminal Intelligence Analyst for the Columbus Division of Police, Andy Hawkins, and a partner got through the security access when Hawkins used his partner’s ID to sell a phone to the kiosk.

“With ecoATM, you have to provide a photo identification to the kiosk … You can’t put a lot of trust in that because myself and another colleague went to test that out,” Hawkins said. “She’s a female and I used her ID and was standing in front of (the kiosk), and it accepted it and went to the step process to having the phone taken.”

Some students were concerned that stolen devices could potentially be sold to the machines.

“It’s like a pawn shop, but if there is no person there to observe behavior, how do you know (they aren’t a thief)?” Stokes said.

Hartz said the ecoATMs aren’t a cause of phone thefts.

“It’s important to understand that in contrast with ecoATM, there are many places in Columbus where a criminal can quickly sell a stolen phone with no questions asked, including on Craigslist and the black market,” Hartz said.
Although the kiosk has no human presence, employees in San Diego monitor the transactions in real time to “combat fraudulent sales” before the transaction is complete, Hartz said.

The employees check for valid IDs, take pictures of sellers at the kiosk, scan their IDs and collect their thumbprints, Hartz said.

“We fully comply with all relevant laws and regulations wherever we operate, and we voluntarily exceed legal requirements by reporting all of the information we collect for each transaction to the local police on a daily basis,” Hartz said. “With all of these security features, thieves tend to avoid ecoATM. Only a small percentage of all the phones we collect are reported stolen.”

Hartz said if a thief does successfully recycle a stolen phone, ecoATM “cooperate(s) fully with the local police to get the phone returned to the victim, free of charge, and get the thief arrested and put behind bars.”

Columbus Police Commander Bob Meader, however, has not been satisfied with his experiences with ecoATMs.

“Multiple times, (the Columbus Police) requested a hold on a stolen phone, which occurred on the day the phone was listed in their report or the following day, and ecoATM replied that the phone was already shipped overseas,” Meader said.

EcoATM holds all devices it collects for 30 days before sending the devices to San Diego, according to the ecoATM website.

Zack Scott was one of about four officers involved in a Columbus Police phone theft investigation during the summer and said one of the problems with ecoATMs is that the machines don’t report their purchases well enough.

“Pawn shops are required the next day to load up their (purchases) on LeadsOnline,” Scott said. “(EcoATMs) aren’t required to report to LeadsOnline. They only hold the phones for 30 days and ship them overseas ... and they don’t upload (the report information) for 30 days.”

LeadsOnline is a service “helping law enforcement catch criminals, while helping businesses reduce the hassles of reporting,” according its website.

Scott said he thinks the solution isn’t to ban ecoATMs, but regulate them.

“My argument is I don’t want to get rid of them — I want them to comply and report,” Scott said. “It’s too easy for conviction in court — your face, your ID and your thumbprint — I would be hesitant to say, ‘Yeah, let’s ban them.’ Let’s make them comply with the same regulation as pawn shops.”

Pawn shops are required to keep information including sellers’ names, ages, addresses, driver’s license numbers, physical descriptions and the items’ sale prices by law, according to the Ohio Revised Code.

**Government Security News**

**IACP 2013: ecoATM’s reinforced green metal boxes accept and pay instantly for used cell phones**
October 21, 2013
The aha moment struck Mark Bowles, a serial entrepreneur, in 2008 when he read an article that said that only about three percent of the world’s used cell phones were being recycled.

“I had a drawer full of used cell phones at my house,” he recalled during a conversation with Government Security News at the police chiefs show in Philadelphia on October 20. People were too lazy to sell their used phones, he reasoned, and the threshold to get them to take action was simply too high.

If we could get a robot to receive a used cell phone, and we put that robot directly along the flight path that the average citizen follows each day, perhaps we could lower that threshold, create a new business, and help clean up the environment at the same time.

Cut the present, and Mark Bowles and his colleagues at ecoATM, a start-up company that was recently acquired by Outerwall, Inc. -- the company that brings consumers Redbox video kiosks and Coinstar coin-counting machines -- was displaying its rugged, security-conscious green box at the police chiefs show. The ecoATM box can receive a used smart phone, iPod, iPad or other handheld electronic device; instantly capture the prospective seller’s photo and fingerprint, as well as complete data from the seller’s driver’s license; identify precisely what device is being offered; examine the current functioning of that device by connecting it to the proper power cord; offer a specific dollar amount to the seller; and issue cash to the seller, just like a bank ATM, if its offer is accepted.

Currently, EcoATM has installed about 650 units in 42 states -- mostly in shopping malls, but some in Walmarts -- said the company’s reps at the police chiefs conference.

Local police departments have expressed interest, ecoATM explains, because the box can determine the precise serial number for the offered cell phone, and that serial number can be compared to the serial numbers of cell phones already reported as stolen to the local police. In practice, however, the machines haven’t encountered a great many “hot” cell phones.

As Ryan Kuder, an ecoATM marketing executive, explained to GSN: “Most thieves go in the opposite direction.”

TurlockJournal.com
Council to consider banning EcoATM machines
October 18, 2013

Although automated kiosk machines that buy back personal electronic devices may seem like a quick way to get cash in exchange for old electronics, the Turlock City Council may put a ban on them.

An automated secondhand dealer kiosk machine allows people to sell their old cell phones, MP3 players, tablets, and other similar electronic devices for immediate cash. Since there is no limit to the number of devices or transactions one person can make at a kiosk, the Turlock Police Department fears that such machines will lead to an increase in theft of electronic devices by those looking to make a quick buck.

The only current known version of the ASDK machine is produced and managed by the EcoATM Corporation of San Diego. While the EcoATM machine is equipped with some safety features, such as requiring the consumer to swipe a valid government issued ID and logging serial numbers of each electronic device in a transaction, it does not currently have the technology to verify whether the ID
actually belongs to the person completing the transaction or if that individual is the true owner of the device being sold for cash.

The Turlock Police Department also said that there would be legal ramifications in allowing an outside source to scan TPD databases when filtering serial numbers.

According to the City, law enforcement agencies across the country have cited the instant cash feature of the EcoATM machine as a huge draw for thieves.

San Diego police have also reported a rise in cell phone theft since the installation of EcoATMs. Turlock police do not want to fall into the same predicament by allowing the machines within the city.

Since there are no ASDK machines in the City of Turlock currently, the Turlock Police Department hopes to have the City Council approve the ban to avoid an increase in theft.

The Turlock City Council will meet at 6 p.m. on Tuesday at City Hall, located at 156 S. Broadway.

Manassas Patch
Fugitive of the Week Accused of Cashing in iPad at Mall Kiosk
October 18, 2013
Police have arrested a Manassas man accused of stealing an iPad, then depositing it in an ecoATM kiosk at Manassas Mall for cash.

Quashawn Latrea Taylor, 31, is charged with grand larceny and obtaining money by false pretenses, Manassas City Police reports show.

Police said the suspect broke into a car on Austin Way in Manassas and stole an Apple iPad. He then immediately deposited it at an ecoATM, a machine that allows the recycling of electronics for cash.

Taylor was the department’s fugitive of the week as a result of the crime and was captured Friday.

Kiosk Marketplace
EcoATM recognized for anti-theft efforts
October 17, 2013
The electronics recycling kiosk company ecoATM received some validation this week by the FBI-Law Enforcement Executive Development Association, following months of criticism that its kiosks encourage theft.

The company announced that its verification process was recognized as an "emerging and innovative method to recycle outdated electronics."

"Crime trends related to cell phone theft are a serious problem requiring the attention and resources of law enforcement," said Charles Robb, executive director of FBI-LEEDA. "We urge law enforcement personnel to understand the facts about this issue and to fairly evaluate this matter."

EcoATM and FBI-LEEDA will begin co-hosting a series of training events for law enforcement professionals across the U.S., focused on strategies to prevent and combat mobile phone theft. The first of these events will take place in San Diego, Dec. 11-13.
"We are committed to working closely with local law enforcement around the country to make an ecoATM kiosk the worst place for a criminal to try and sell stolen property," said Mark Bowles, founder of ecoATM.

**WKBN**

**EcoATM helps to recover stolen cell phones**

**October 16, 2013**

NILES, Ohio (WKBN) - Monica McDonald's daughters have had two iPhones stolen within the past month.

At first she thought they were gone for good, but remembered seeing a kiosk in the Eastwood Mall called EcoATM, which is a machine where people can trade electronic devices and receive cash on the spot.

"We found out the phone is in the kiosk. One of them. The other was on its way to California," McDonald said.

Joe Bell, a spokesman for the Eastwood Mall, said it has all kinds of safeguards built into it to protect people against theft.

"This is something that basically captures a lot of information for law enforcement if you have a missing cell phone or a stolen cell phone," Bell said.

EcoATM has cameras and a thumbprint scanner. It also scans for a person's identification, which will be verified remotely by a human and the device will be matched against a stolen device database.

The good news is if the device was sold at the kiosk, customers can contact EcoATM and get it back by providing the company with a serial number that can be matched up. If a customer can prove a stolen phone is theirs, the company will return it free of charge.

Ryan Kuder with EcoATM said the kiosks are the worst place for thieves to sell stolen cell phones, and the best place for victims and police to get property back and track down criminals.

"We’re glad that ecoATM will be able to get this local resident’s property back in her hands and assist law enforcement in their investigation. Because of our security features, stolen phones rarely end up in ecoATMs, but on the rare occasions that they do, we can be a valuable resource for the police," said Kuder. "A live person monitors every transaction and we take multiple photographs of the seller, scan the seller’s ID and collect their thumbprint. We voluntarily report all of the information we collect for each transaction to the local police on a daily basis.

It may take up to a month to get a phone back if it's not still in the machine.

McDonald said while she continues to pay for phones she can't use, she is happy she will get them back.

"If you don't know about the machine, you are not going to look for it in the machine. And that's phones, iPads, any tablet, MP3 players, anything like that," McDonald said.
Police said since so much information is gathered by EcoATM, it's a matter of time before the thieves get caught. But no arrests have been made so far in this case.

Co.Exist
Meet The Man Behind The EcoATM--The Machine That's Revolutionizing Phone Recycling
October 15, 2013
Here's the problem with electronic waste. There's a lot of it (people throw away 400 million units each year, just in the U.S.). It's difficult to recycle (most gear isn't designed to be taken apart). And, when you do dispose it, it does a lot of environmental damage, either by leaching chemicals into the ground in landfills or by putting pollutants into the air in incinerators. No more than 25% of electronic waste gets recycled, and probably a lot less.

It was this complex problem that Mark Bowles was trying to address when he came up with the ecoATM five years ago. His machine is full of artificial intelligence, machine-vision technology, cameras, and mirrors. The ecoATM can identify any of 4,000 models of phones, tablets, and MP3 players, and make an immediate pay-out in cash based on the real-time international recovery price. In April, the 650-strong ecoATM network recycled its 1 millionth device. By Thanksgiving, the company hopes to reach the 2 million mark.

Bowles had a 25-year background in semiconductors and microprocessors before deciding he wanted to get into the recycling business. "I had a whole drawer full of phones and I didn't know what to do with them," he says. "I had the vague idea there was a box at the zoo, maybe a charity box at the carrier store, and maybe some kind of mail-in. But it wasn't convenient."

His initial idea involved Boy Scouts as door-to-door collectors. But he quickly realized that was terrible "for a bunch of reasons." He saw the coin-collecting Coinstar kiosk, and thought "we might be able to do something like that for the phone."

Three years later, he had the ecoATM. It stands about 10 feet tall. From a touch screen, you select the device you have to sell, and put it inside. The ATM does a 3-D scan identifying the model from its 4,000 device database, checking for flaws, and grading its condition from one to eight. Using a cable provided, you then plug in the device, letting the machine do an electrical check.

Finally, after checking the current price for the phone or its components, the ecoATM spits out a price that's anywhere from $25 to $300. About 40% of devices are sold for full reuse. The rest is sold as scrap to certified recyclers.

This summer, Coinstar-owner Outerwall bought ecoATM for $350 million. It plans to expand across the U.S., and go into Europe and Asia. There are plans for laptops and PCs as well, Bowles says.

Having made a tidy sum in the sale, Bowles is now working with several San Diego start-ups, offering investment and mentorship. Asked for advice he would give other enviro-entrepreneurs, he offers some real talk:

"Don't count on consumers responding to the same tired save Mother Earth, guilt-trip type environmental marketing. People are living day to day and they're just trying to get by. Fit your value proposition into the bottom part of Maslow's Hierarchy of Needs.
Only a single-digit percentage of the population will respond to 'Recycle, we're killing the planet.' Unfortunately, that's the way it is. You just have to get over that. What we did was to say, 'Well, if they won't respond to the environment, let's give them something they will respond to, which is cash.' That's just the way it is."

Business Wire
FBI-Law Enforcement Executive Development Association Recognizes ecoATM’s Constructive Role in Addressing Cell Phone Theft
October 15, 2013
SAN DIEGO--(BUSINESS WIRE)--ecoATM, the company that enables consumers to recycle used mobile phones, tablets, and MP3 players, today announced that the FBI-Law Enforcement Executive Development Association, Inc. (FBI-LEEDA) has recognized ecoATM’s verification process as an “emerging and innovative method to recycle outdated electronics.” FBI-LEEDA visited ecoATM’s headquarters in San Diego and reviewed the company’s verification technology, met with the executive team and observed its operations. In a letter to ecoATM, FBI-LEEDA noted that:

“Crime trends related to cell phone theft are a serious problem requiring the attention and resources of law enforcement”

During each transaction ecoATM collects vital information required by secondhand dealer laws and for potential law enforcement use.

ecoATM voluntarily reports identifying information about the device to local law enforcement officials. Participating law enforcement agencies have found this data to be an excellent evidentiary source, which has led to criminal prosecutions. “Crime trends related to cell phone theft are a serious problem requiring the attention and resources of law enforcement,” said Charles Robb, Executive Director of FBI-LEEDA. “We urge law enforcement personnel to understand the facts about this issue and to fairly evaluate this matter.”

ecoATM and FBI-LEEDA will begin co-hosting a series of training events for law enforcement professionals across the U.S., focused on strategies to prevent and combat mobile phone theft. The first of these events will take place in San Diego, December 11-13, 2013.

“We are committed to working closely with local law enforcement around the country to make an ecoATM® kiosk the worst place for a criminal to try and sell stolen property,” said Mark Bowles, founder, ecoATM. “In the rare case when a thief makes the mistake of trying to use an ecoATM kiosk, we capture their fingerprints, photos and identification, and share information proactively with local police. We appreciate FBI-LEEDA’s review of our operations and look forward to continuing to build on our partnerships with law enforcement around the country.”

These efforts are in addition to the Law Enforcement Advisory Board that ecoATM established earlier this year. The members of the Law Enforcement Advisory Board have more than 200 combined years of municipal and state experience and members advise ecoATM on topics such as how to best communicate and effectively share data with law enforcement professionals.

About FBI-LEEDA
The FBI-Law Enforcement Executive Development Association, Inc. which is not affiliated with the FBI or acting in its behalf has, in part, the following mission statement:
To advance the science and art of Law Enforcement leadership and management.
To develop and disseminate improved administrative, operational and technical practices to meet the needs of Law Enforcement executives throughout the world.
FBI-LEEDA is dedicated to providing innovative leadership education to law enforcement executives across the United States and, indeed, around the world.

About ecoATM
ecoATM, a subsidiary of Outerwall Inc., is the first company to create an automated self-serve kiosk system to buy back old phones, tablets or MP3 players for cash. ecoATM uses patented, advanced machine vision, electronic diagnostics, and artificial intelligence to evaluate electronics. ecoATM’s eCycling stations provide a convenient trade-in solution with features that validate sellers’ identities and deter the sale of stolen phones, and the company works closely with local law enforcement (http://ecoatm.com/law-enforcement.html)

ecoATM holds both Responsible Recycling (R2) and ISO14001 certification, confirming the company’s commitment to maintaining the highest standards of electronics recycling, as well as ISO27001 certification for information and personal data security. See http://www.ecoatm.com/how-it-works.html for a video of how an ecoATM kiosk works. For more information, visit www.ecoatm.com and for more information about Outerwall Inc. please visit www.outerwall.com.

WPTZ
Police: ecoATM tempting thieves with instant cash
October 8, 2013
SOUTH BURLINGTON, Vt. — Police believe an environmentally-friendly way to recycle your old electronic devices is attracting thieves to a local mall.

South Burlington police are keeping a watchful eye on the two ecoATMs at the University Mall. The machines allow customers to exchange old phones, tablets or other devices for instant cash.

But investigators believe the money is proving tempting to thieves who in turn are targeting electronics, Detective Ron Bliss said.

“I think there's been a surge in it, and I think that's because there is access to quick cash,” Bliss said. “Our presumption at this point is that they're stealing the phones because they have a venue to get rid of them quickly and for cash.”

Bliss estimates 10 percent of devices inside the ecoATMs at the University Mall are stolen.

The company disputes those claims, saying nationwide one-half of 1 percent of phones in their machines have been dropped off by thieves.

“Our policy is to do whatever it takes to cooperate with police and provide them with the information they need to investigate stolen phone cases,” ecoATM spokesman Ryan Kuder said. “On the rare occasion a stolen phone ends up in a kiosk, we are fully committed to ensuring that the phone is returned to its owner and the thief is caught and prosecuted.”
Kuder pointed out that before accepting a phone, the machine collects information from sellers by scanning a license and taking photos and a fingerprint. Bliss is not sure that is enough.

“We’ve had people sell 30 or 40 phones to them over the time,” he said. “We’ve gone back through the records. And there are a handful of people who are selling phones every day.”

Bliss believes thieves from all over Vermont are targeting the uMall machines because of their location near the interstate.

He suggested protecting yourself in case your phone is ever stolen by writing down your IMEI and serial numbers. They can usually be found in the phone’s settings menu. You can also get them by calling your carrier. Police also recommend setting up the Find my iPhone and Where’s my Droid location services.

“If we have that information, it's much easier to reunite it with its owner,” Bliss said.

There are also ecoATM machines in Burlington and Rutland. Police agencies there said they too have been able to return stolen phones to their rightful owners.

"The company keeps the item for a acceptable period of time allowing for us to retrieve any stolen items sold to them,” said Lt. Art Cyr of the Burlington Police Department. "We have been able to retrieve several stolen phones and return them to the rightful owners. We have also been able to make several arrest due to the companies policy of photos and fingerprints."

“No one else in the industry partners with the authorities like ecoATM,” Kuder said. “We look forward to continuing to work with local police to fight cellphone crime.”

Bliss said he is working with ecoATM to ensure police have access to the devices that are reportedly stolen and to information the company can provide. He emphasized making your own record for safekeeping in the event your phone is stolen.

ABC Local 13
Councilman seeks changes to ecoATM regulations in Houston
October 8, 2013
HOUSTON (KTRK) -- It seems easy enough: Take your old phone to an ecoATM and walk away with cash. It's an easy way to get rid of your phone, but some are concerned criminals could use the machines to cash-in with stolen phones.

We learned these ecoATM's have been banned from at least one city in the United States. The state of Maryland is considering an all out ban. Now, one Houston city councilman says he wants City Council to listen up. The concept is simple: Recycle your cell phone or MP3 player for some instant cash.

"I have seen someone get money off of it. But it was for a new model phone," consumer Vanessa Salcido said.

Salcido tried it out but didn't get an offer. But for others, it can be a small payday.

"It's an alarm sound that should go off in the city of Houston about this," Houston Councilman Andrew Burks Jr. said.
Burks says the machines may be an easy way for criminals to cash in on a growing trend -- cell phone theft.

"The possibility certainly exists. There are people that are selling stolen cell phones to those machines essentially. Basically, they're giving a robot a stolen cell phone in exchange for some money," said Ed McClees with the Harris County District Attorney's Office Organized Crime division.

Ryan Kuder with ecoATM issued the following statement to Eyewitness News:

"We work in close partnership with law enforcement to help fight cell phone theft. There are many places in Houston where a criminal can quickly sell a stolen phone with no questions asked, including on Craigslist and the black market."

EcoATM has more than a dozen machines in around the Houston area. All are located inside malls. We learned the company is not regulated by any city ordinance the way that pawn shops are.

"Voluntarily exceed legal requirements to provide police with reports of all transactions, and return phones to the police upon request and to consumers free of charge if stolen," Kuder said.

Kuder says the company has given back a couple dozens phones to HPD. In the same cases, a thumbprint, state ID and snap shot required to be given by the seller can actually help catch criminals.

Burks says the problem is some victims don't report their stolen phones, and if they do...

"Serial numbers on cell phones are normally not jotted down. Therefore, how do we detect one item if it's stolen?" Burks said.

We did reach out to one pawn shop owner. He said he wants City Council to pass an ordinance that requires ecoATM to follow the same rules pawn shops do. Councilman Burks said he will discuss this in open forum during Wednesday's council meeting. The Houston police department says they're not seeing a spike in cell phone thefts because of ecoATM.

The Lantern
20 phones reported stolen in Ohio State campus area this semester
October 7, 2013

Cell phones have become a target for theft in the Ohio State campus area, as some students have been the mark of scams and others have had phones disappear at local bars. He said last year, during the same time period, there were 25 reports involving 33 phones. Another issue law enforcement has run into are machines called ecoATMs. Similar to Coin Star and Red Box, the machines are located at retail stores such as Walmart and Target and shopping centers like Eastland Mall in Columbus, Meader said. According to its website, the ecoATM is “an automated, customer self-serve kiosk that quickly evaluates and buys back used consumer electronics directly from consumers for cash.” Instead of selling items at pawnshops, individuals have taken to “recycling” stolen goods at ecoATMs. “There are legislatures banning ecoATMs because they are encouraging theft,” Meader said.

Green Business Bureau
EcoATM pays you for used gadgets
October 5, 2013
You know that old Motorola Razr that's been sitting in your nightstand for the last year? If you live near Omaha, Neb., you can march up to the EcoATM at the Nebraska Furniture Mart, toss it in, and automatically get an in-store trade-up coupon or gift card.

The self-serve e-cycling station electronically inspects phones, assigns them real-time secondary market value, and provides in-store payment—if the handset still has any monetary worth. If not, consumers can choose to assign the device to the recycle bin, and then it's on its way to getting recycled or refurbished.

The kiosk at the Omaha store is the first such station to be installed by San Diego-based start-up EcoATM, and it's serving as a test case in advance of a scheduled larger rollout.

The company, formerly called ReMobile, declared the Nebraska machine an immediate success when it went into operation September 21—both in the number of recycled devices collected and the trade-up purchases.

On its first day, 23 phones went into the recycle bin. In addition, "the EcoATM at NFM bought back over $100 in phones on day two, including a perfect BlackBerry Curve," Twittered EcoATM's Eric Rosser, who said in an interview he thinks retailers will appreciate the automation of the EcoATM and consumers will value the speed and convenience.

The company plans to install kiosks at wireless stores and big-box retailers in San Diego, Texas, Washington state, and Vermont this quarter, Rosser said, with a "massive rollout" set for the second quarter of next year. Eventually the EcoATMs should be able to recognize other gadgets, such as MP3 players, digital cameras, notebooks, printers, and storage devices.

The machines rely on a camera-based system to detect signs of wear such as cracked screens, missing keys, and scuff marks, and to determine a device's approximate value. If it's not worth anything, consumers could still get a free gift for their efforts—in Omaha's case, a waterproof phone case. And in a green nod, EcoATM will plant a tree for them.

Of course, whether a machine can assess a product's value with the same accuracy and nuance as a human remains to be seen. In any case, the system's aimed at countering the growing problem of e-waste. In the United States alone, more than 100 million cell phones get thrown away every year, according to the Natural Resources Defense Council. (On the front end, wireless companies are making a concerted effort to go green, with gear such as the Samsung Reclaim and other initiatives.)

"Today, a used consumer electronic goes into your drawer or garage, sits there until it decays to zero value, and then goes into a landfill," said Rosser, vice president of sales and marketing for the company. "We want to change that paradigm so it's more like car. When you're done with a car you don't just put it in your garage and leave it to rot."

Retailers get the machines installed for free, with obvious incentives including reward tie-ins and the potential for increased foot traffic. Participating businesses can also use the EcoATM to support the charitable cause of their choice ("Give us your used game console and we'll donate a dollar to the Saginaw Community Center"). In addition, they are getting help complying with e-waste laws (and possibly picking up some eco-cachet while they're at it).
"Consumer electronics retailers and their OEM partners are facing a complex and growing set of state and municipal e-waste laws," said Leslie Hand, research director at IDC Global Retail Insights. "Consumer convenience is important to solving the e-waste problem in the U.S., and trade-in/trade-up incentive programs are proving to be quite effective in retail."

Mobile World Capital
ecoATM: recycling mobiles has its rewards
September 22, 2013

Do you know what your mobile device is made of? On average, mobiles are 50% plastic, 15% glass and ceramics, and 15% copper and other components such as cobalt, lithium (in batteries), carbon, nickel, tin, iron, zinc, lead and even gold. A lot of materials that eventually break or become obsolete and end up in the… trash?

Not necessarily. As with many products (more and more products, thankfully), now you can leave your mobile phone or tablet in specialized centers where components can be recycled, thus avoiding throwing away certain harmful materials and in essence ensuring sustainable environments. To do this, there are some specialized centers and original options like those offered by ecoATM: an ATM for mobile recycling.

Until now, if you wanted your mobile recycled, you had to go to some specific shops or websites specifically dedicated to this task like USell (U.S.) or ZonZoo (Spain). The process is very simple in any case. You deliver your terminal and in return you obtain a little (and sometimes not so little) economic compensation, depending on the characteristics of your device. As these gadgets are of no use for you anymore, it’s the perfect deal. Everyone wins in it.

ecoATM makes this process even more convenient by replacing it entirely by a kind of ATM doing the same thing: it changes your mobile for money. To do this you just need to select your phone from the menu and then pass a short functioning test. Just a few minutes will be enough to complete the steps required through a touch screen, as illustrated in this video. In addition, it also serves for tablets and MP3 players.

Although the idea was born in 2009 with some prototypes, until recently their use was not so widespread. Today, more than 4,000 different devices are recognized. These machines are today only available in the U.S., but if they prove successful their use may be extended to other countries. For the time being, the purchase of the founding company by Outerwall (a giant of self-service machines) opens a promising future.

But, why recycle?

According to the U.S. Environmental Protection Agency (EPA) we recycle just 11% out of 150 million mobile phones that are discarded every year. With new uses to these components the energy saved would have been sufficient to supply 20,000 homes for 12 months. The aim is reducing consumption and pollution associated with these devices eventually containing mercury, cadmium or arsenic.

Since we have a large growing worldwide market, we have every reason to recycle. Not using these devices is obviously not the solution, but committing ourselves to sustainable consumption by reusing things. In return, users can get some money and make the world a slightly better place.
City Bans ecoATM Machines

September 17, 2013

The Baltimore City Council voted unanimously Monday to ban machines that pay cash for cell phones. Although there are no such machines, made by San Diego-based ecoATM, operating in the city, officials fear they could be a convenient place for thieves to ditch stolen phones.

“We still now need to go to the surrounding counties - to Baltimore County, to Anne Arundel County,” said Councilman Bill Henry, architect of the ban. “We probably still have to move forward with statewide legislation.” Henry is preparing a resolution calling for the Maryland General Assembly to address the issue. He hopes to have that at the next council meeting in October.

Mayor Stephanie Rawlings-Blake called the vote a step in the right direction. “These machines have been known to attract criminal activity, making it harder for communities to be safe,” she said. Rawlings-Blake also said more needs to be done, including seeking help from the communications industry to make stolen phones worthless.

City Council President Jack Young said the council doesn’t want the machines in the city until they are shown to be fool-proof. “Hopefully as we move forward and can work with the industry maybe tweak it; we might can come back and look at it but for right now the council spoke,” said Young. The council last week rejected an amendment that would allow the machines to operate in Baltimore if they can meet the same reporting requirements as a pawn shop.

Ryan Kuder, communication and marketing director for ecoATM, said in a statement that the company is disappointed by the vote and that it has no plans to operate in Baltimore City. “The council chose to pass a law that applies only to a single company and which has no practical effect,” Kuder said.

The ban is expected to take effect next month. Several state lawmakers have expressed interest in taking up the issue next year in Annapolis.
Delegate drafting bill to crack down on ecoATM kiosks statewide
September 13, 2013
As Baltimore City moves closer to a ban on cash-for-cellphone kiosks, an Annapolis lawmaker is drafting a measure that would restrict these automated purchasing machines (APMs) across Maryland.

Del. Luke Clippinger (D-46th) says the devices, which sometimes spit out hundreds of dollars in instant cash for late-model smart phones, are encouraging the raft of brazen cellphone thefts plaguing the city.

“Around my district it’s a great concern,” Clippinger said, in a phone interview yesterday with The Brew. “One person was assaulted for a phone at Randall and Belt streets. I’ve heard of multiple occurrences in South Baltimore, Canton and Patterson Park. It’s a concern in my neighborhood of Riverside.”

The kiosks, made by San Diego-based ecoATM and installed in area malls over the past year, have caused a sensation in the city, since their appearance has coincided with a rash of sometimes-violent street crime, focusing on joggers and pedestrians carrying expensive cellphones.

On Monday a bill to ban APMs in the city received preliminary City Council approval.

Councilman Bill Henry introduced the measure in June, saying that the automated machines – which recognize and price thousands of models of smart phones, tablets, iPods and other mobile devices – could be providing an easy place for criminals to unload “hot” electronics.

City Hall gave a surprisingly warm reception to the ban. (Henry offered an amendment creating an exception to the ban, but couldn’t get a second from his fellow politicians on Monday.)

On to Annapolis
Annapolis is the logical next step for the issue, company representatives and APM critics both agree. There are no ecoATMs located in Baltimore currently, though one was removed from Mondawmin Mall last year reportedly because it sparked complaints by merchants.

But criminals are using ecoATM kiosks just outside the city line, police say. (The area malls where the machines can be found include: Security Square, Eastpoint, Towson Town Center, Columbia and Arundel Mills.) The phone theft incidents are being reported across the city, with city police making arrests after the flurry that broke out in North Baltimore in August.

D.C. Police Chief Cathy Lanier, a vocal critic of ecoATM, has said the kiosks have stoked phone theft on street-corners and Metro stops and points to examples like the criminals who accosted and punched pedestrians and transit riders and brought the phones they took to the ecoATM station at Pentagon City.

“These Things are Honeypots”

EcoATM officials say relatively few stolen phones have turned up in their machines and that they are equipped with enough safeguards – a driver’s license and thumbprint scanner, real-time video monitoring by staff watching every transaction – that criminals are inclined to steer clear.

Clippinger, an Anne Arundel County prosecutor, doesn’t buy it. “I have two words to offer in reply: ‘straw’ and ‘purchaser,’” he said.
Getting a conviction on a theft charge, versus the lesser charge of possessing stolen goods, “would be really difficult” if the evidence was video or other data from a self-serve machine, the delegate said.

He has heard the argument that a criminal would be more likely to fence a stolen phone at a pawn shop or sell it at Game Stop, but still thinks the ecoATM’s impersonal technology and instant cash prove irresistible to a criminal.

“The relative ease, or perceived ease, of being able to go to Arundel Mills Mall or Towson Town Center and somebody in San Diego decides whether to give you $400 or not – that’s a real factor,” he said.

“It’s like ‘not feeding the bears’ – these things are honeypots.”

To Ban or Not to Ban
Clippinger acknowledges that the evidence for ecoATMs increasing cellphone theft is anecdotal, but he says the coincidence factor is striking:

“I mean, we see an uptick in crimes where all [the thieves] want is the phones – at the same time these machines have started to arrive.”

He said he understands the appeal of technology that helps keep old electronics, with rare and sometimes toxic metals, out of landfills. But stronger regulation across jurisdictions, he said, is needed to make sure the machines don’t cause a problem with public safety.

“At a minimum, these machines should be made to really conform to the second-hand dealer laws,” he said. “But if we can’t figure out how to truly do that, we should look and see whether we want these things to be in the state of Maryland at all.”

NPR (WBUR, WABE, KUOW)
Baltimore Officials Want To Unplug Phones-For-Cash Kiosks
September 7, 2013
EcoATMs take old cellphones, MP3 players and tablets in exchange for cash. But the automated kiosks, operating 650 machines in 40 states, are getting bad reviews from police, who are concerned the machines are a magnet for thieves.

The transaction is fairly simple. The machine walks you through the process, scanning your ID to certify you’re over 18 and verify your identity. An ecoATM employee inspects the transaction remotely in real time. Once the seller’s identity is verified, the kiosk takes the device and assesses its value. You get the cash, and the device is recycled.

The company was purchased in July by Outerwall, formerly called Coinstar, for $350 million. EcoATM officials are hoping the merger will speed the rollout of the machines in more places.

But in Baltimore, officials are trying to ban them.

"I had gotten complaints from the police department that people were stealing cellphones and taking them out to these machines in the county," says Baltimore City Council member Bill Henry.
The region has seen a rise in cellphone thefts. James Green, director of government affairs for the Baltimore Police Department, says ecoATM machines are among many places where stolen phones turn up. Green says law enforcement officials have been in talks with the company.

"We've made some recommendations as to how the data sharing can be improved, and the representatives of ecoATM are working on doing just that," he says.

EcoATM declined to be interviewed, but issued a statement saying they greatly appreciate the constructive engagement with law enforcement and the Baltimore City Council.

The company also has a page on its website dedicated to addressing "misperceptions" about the kiosks, outlining safeguards against the selling of stolen devices as well as how they use information about the individuals and devices in case theft is reported.

Washington, D.C., Metropolitan Police Chief Cathy Lanier is a vocal critic of the machines. Over the summer, she says her department's investigators traced 200 stolen cellphones to one ecoATM machine. When the D.C. police complained, Lanier says the company stopped giving her department information on phones turned in to its machines.

"Because there was some negative publicity around the use of these machines that fence stolen phones, and I was quoted in those articles, they stopped sending us the data," Lanier says.

The company has since resumed sending the information to D.C. police.

In California, the Riverside City Council banned the machines in August at the recommendation of its police chief, citing the same concerns expressed by Baltimore City Council member Henry and law enforcement officials.

EcoATM says on its website that "less than 1 out of every 4,000 devices" it collects are later reported lost or stolen.

The Boston Globe
Selling your phone has gotten easier
September 5, 2013
With Apple Inc. preparing to unveil at least one and maybe two new iPhones next week, it is time to start shopping for the best way to sell your old phone.

These days there are lots of trade-in options for iPhones and Android phones, tablet computers, laptops, and other gadgets. You could do it online, at brick-and-mortar retailers, or even at a clever little kiosk at the mall that gobbles up gadgets and spits out cash.

Apple is going after a slice of the trade-in market, but on its own terms. The company will buy your old iPhone, iPad, or Mac computer, but you would have to give the money right back.

Enter the model number and description of your device at the website, and Apple would make you an offer. If you agree to it, the company would send you an empty box and a label to cover the cost of shipping. An Apple contractor called PowerON receives the device and confirms whether it is in good condition.
In exchange, Apple would mail you a gift card that can only be used to buy stuff from Apple. You could also trade in an iPhone at a real-world Apple Store, but if you do, the value of your trade-in could only be applied to another iPhone, and you must sign up for a two-year contract. Either way, Apple gives with one hand and takes with the other.

Still, Apple made a reasonable bid for my old iPhone 4S, offering $206. That was about the same that I was offered by a couple of Boston-based companies. One is a newcomer called Sold, which uses an app that runs only on Apple devices. I installed the app on a borrowed iPhone, shot some images of my own phone, and asked for an estimate. In seconds, Sold offered me $208. Gazelle.com, one of the oldest trade-in services, was not far behind, with its offer of $206.

Both companies provide free packaging and shipping, just like Apple. But unlike Apple, Sold and Gazelle pay with real money. If you have an account with the PayPal online payment site, Gazelle would send the money there directly; otherwise you could get paid by check or through a gift card good for purchases at Amazon.com. Sold asks you to punch in the number of your bank account. Once the phone passes inspection, the money would be transferred to you in a few days.

But for a quick payoff, you cannot top EcoATM, which instantly counts out the cash. EcoATM runs a network about 600 kiosks in 40 states, with 17 in Massachusetts. Each lets you trade in a smartphone, MP3 player, or tablet computer.

To use one of them, you would press your driver’s license against an image scanner. Meanwhile, a high-definition video camera beams your picture to an operations center, where human beings compare it to the ID photo. It is one way for EcoATM to guard against phone thieves trying to palm off stolen merchandise.

Next, you would use a touchscreen to answer a few questions about your device. Out pops a barcode sticker to glue on the back of the phone. A door opens and you would put the phone inside; you can get it back at any time if you change your mind about selling. The EcoATM inspects the phone, figures out its make and model, checks for signs of damage, and makes an offer. If you accept the deal, the machine would spit out the cash immediately.

I tested an EcoATM at the CambridgeSide Galleria. At first, it misidentified my iPhone 4S as the less-valuable iPhone 4, and offered $97. On a second try, it made the correct identification, but offered just $110, almost $100 less than bids from other companies. I also tried EcoATM on a nearly-new HTC One Android phone that sells for $600 without a contract. EcoATM offered $131 for it, compared with Gazelle’s bid of $218 and Sold’s lavish offer of $316. On a second try, it mis-identified the phone as an older HTC model and offered just $27.

Gazelle and Sold come out on top in my survey, but there are many more places to check out, including retailers like Best Buy, Walmart, and Radio Shack. Once Apple starts selling the new iPhones, the old ones will be worth considerably less.

Daily Beast
ecoATM offers consumers a new way to sell used cell phones and electronic devices
September 1, 2013
Can a consumer electronics technology help solve the environmental problems by the rampant obsolescence of consumer electronics?

The half-life of a piece of technology these days is very short. Every year, upgrades to computers, televisions, and mobile phones render last year’s version technologically obsolete. To a large degree, electronics are disposable.

And yet, according to the Environmental Protection Administration, only 11 percent of the estimated 152 million discarded mobile devices are properly recycled. Bamboo Mobile estimates that 30 percent of people are unaware of the fact that their old cell phones can be recycled.

This is an unsettling trend that will probably grow as years go by -- as newer phone models are released and more people upgrade their phones, more and more electronics are likely to lie around in homes, unrecycled. This has inspired efforts to publicize the recycling process.

The EPA has a module on its site to help consumers donate or recycle their old devices. NYC.gov has an entire section devoted to e-Waste, including guidelines for disposal and tips on recycling. There are also organizations, not associated with city, state, or federal government, that can help in the recycling process. But many of these efforts are heavily labor intensive. Imagine if there was an e-waste recycling system that was as easy to use as, say, a bank’s money machine.

In fact, there is: ecoATM, which was recently bought by Outerwall. Outerwall owns the popular Coinstar kiosks that allow people to swap junk that has value (pennies and other change) for a currency that customers prefer to carry around -- cash or gift certificates. ecoATM aims to do the same thing for old cell phones that Coinstar machines do for old coins: let consumers exchange one form of valuable good for another. Coinstar machines turn coins into cash or gift certificates.

In a press release at the time of the acquisition, Outerwall Inc. referred to ecoATM as “the first company to create an automated self-serve kiosk system to purchase used mobile phones, tablets and MP3 players for cash.” This breaking of new ground began in 2008, when Mark Bowles, an entrepreneur, founded ecoATM. The first prototype was tested in September 2009. From there, the enterprise has grown, to the point where there are close to 650 ecoATMs in 41 states in the country.

The machine works in a few steps, which take “just a few minutes to complete,” according to ecoATM’s website, where you can find a full walkthrough of the process. The kiosk will inspect the device and its external condition, then do an assessment of the internal capabilities once connected to a cable. This information is then processed in the machine to give the user a price quote, and then the payout in cash.

At the moment, the kiosks are equipped to assess more than 4,000 different devices. This technology has received awards, and grants from the National Science Foundation.

The one-millionth phone recycled with an ecoATM was processed in April.

At its most basic level, the concept seems like a bargain for the consumer and the environment. Old devices that would be simply thrown out instead net an immediate return for the user and also undergo a safer and more eco-friendly disposal process.
That being said, there are drawbacks. Chief among them is the idea that this system could be a way for thieves who steal devices to get immediate cash payouts for stolen items. EcoATM addresses such concerns in the law enforcement section of its website. For instance, a valid ID and a captured thumbprint are required to carry out a transaction on an ecoATM. These are not anonymous transactions. The machines also capture images of facial features of each user.

In terms of its business model, ecoATM is able to make money off of most of the phones and devices it collects. “The ecoATM kiosk uses a worldwide auction system to offer consumers competitive prices based on model and condition, and value if the phone is able to be resold,” said Ryan Kuder, director of marketing at ecoATM: “A majority of the phones ecoATM collects are able to be used again as a phone in some way.” ecoATM in turns sells the phones it collets to refurbishers, resellers, and insurance companies.

There are both pluses and minuses to using such machines. But the positives are moot if people fail to recognize the problem of eWaste and to realize they can do their part to reduce it. I spoke to several fellow college students to gauge an informal and distinctly unscientific reaction. “I would use this service if I had a clear idea of how much I would be paid to recycle the phone, and what the costs and benefits were,” said University of Chicago student Hewon Park. Park also exp
dressed concerns about the amount of identity information needed to make a transaction. Other students said they’d be more motivated by price than by eco concerns. If a phone will fetch more cash on eBay than at an ecoATM, many will chose to sell to the higher bidder.

A list of ecoATM locations can be found on the company’s website,. As the nation gears up for another iPhone announcement in September, they may become more busy.

Mamarazzi Knows Best
Stop Drowning in eWaste. EcoATM To The Rescue!
August 31, 2013
Just look at this mountain of old, broken, and outdated electronics!
They are overtaking my drawers and closets and they’re spilling into the garage, too. We are drowning in eWaste!

Though most people know there are several ways to get cash for old devises — mailing them out or selling them at auction — it just seems we are reluctant to let go of these once-very-expensive electronics because we don’t know who is buying them or what they are doing with our old cell phones. You should know that a San Diego company is attacking this used-electronics litter problem.

“ecoATM is a San Diego-based company that recycles used phones and electronics for cash. You’ll find kiosks at malls and grocery stores across the nation that make it easy for families to get rid of e-waste while making a little extra spending cash in the process.”

“Many of us have drawers of unused or old electronics at home, but often don’t know what to do with them. What many people don’t know is that these electronics often end up in landfills, adding huge amounts of toxic waste to our environment. ecoATM founders wanted to solve this problem while offering users an immediate award. The process is quick, easy and pays out anywhere from $1 to $250 for all phones, no matter the condition.”
I got a personal demonstration on how to use the recycling kiosk from Alison Clancy, Community Manager at ecoATM in San Diego. Take a look at this video about how an ecoATM works!

ecoATM’s Director of Marketing, Ryan Kuder, also answered a few questions I had regarding the cash-for-electronics exchange process. Are there limits to the quantity of phones you can trade in? No, there are no limits but each transaction typically takes 4-5 minutes.

What to do with all the power cords? ecoATM accepts all chargers and other accessories (cases, etc) for recycling, but we can’t pay cash for them. There is an accessory bin on the side of the ecoATM and we make sure all accessories are recycled responsibly.

Is there a risk turning in a phone with the SIM card in it? If we receive a phone that has its SIM card still in it, we remove the SIM card and shred it. Your personal data is never downloaded or stored by ecoATM or any of our partners. Whether selling a device to ecoATM or anyone else, ecoATM encourages you to erase all personal data in advance. Consult the device’s manual or search the Internet to find out the best method for fully erasing your device’s memory.

There are sites like Gazelle where you can mail in your phones. Why is ecoATM better? People love ecoATM because of how easy and instant it is. There are no delays or hassles with shipping and there’s never a regrading of your device for a lower price after you’ve sent it in. At ecoATM we believe the ability to recycle your electronics instantly, in a convenient location and for cash, is a great incentive to encourage more people to recycle their devices.

Where are ecoATMs available in the United States? There are nearly 550 ecoATMs located in 38 states. It is ecoATM’s grand ambition to be located within five miles or closer to 90 percent of the U.S. population to make e-recycling as convenient as possible. You can find the closest ecoATM to you at http://ecoatm.com/find-a-location

What is the best practice to recycle a phone to get the best amount of cash for it? The value of a phone has a tendency to go down over time. And it makes sense—older phones are worth less. To maximize the value of your old device, you should look into upgrading it as soon as you have a replacement for it.

What cannot be recycled in the ecoATM? We currently accept approximately 4,000 models of phones, MP3 players and tablets. We do not accept laptops, personal computers, televisions, DVD players, etc.

What advice can you offer people to dispose of their phones, cords, and other electronics? ecoATM can recycle your phones for cash. Cords and other accessories can be recycled in the Accessory Bin on the side of each ecoATM. If you’re looking to recycle something that we can’t help you with yet, like a DVD player or a toaster, we recommend that you find a local certified eWaste recycler.

There are 14 ecoATM locations in San Diego including Mission Valley, Fashion Valley, UTC and North County Fair.

In today’s cash-strapped economy, I think that the hoarding of cell phones in homes happens because it’s hard to hand over an item that likely cost in the $100s for practically nothing.

I, like probably others, decided to keep the phones (still in a pile in the garage) instead of disposing of them for nothing thinking I would rather give them to someone I know who can’t afford a new one.
Well, I have yet to meet this person. So, recycling cell phones at ecoATMs sounds like the ideal thing after all!

**Plant It Lake**

**Gurnee Mills gets another ecoATM**

**August 22, 2013**

GURNEE - Since last November, more than 1,000 electronic devices have been recycled at the ecoATM in Gurnee Mills. Because of the success, a second kiosk was recently placed in the mall. The electronic recycling kiosks use advanced technology and robotics to determine the value of old cell phones and give users cash as an incentive to recycle. Ryan Kuder, director of marketing for ecoATM, said response to the kiosk at Gurnee Mills has been great.

“It’s something everyone can relate to,” said Kuder, whose company is based in San Diego, Calif. “Everyone has an old phone in a drawer. The total unused phones in this country is half a billion. The average upgrade cycle [to get a new phone] is 18 months.”

In 2010, an estimated 152 million mobile devices were discarded in the United States, and only 11 percent were recycled, according to the Environmental Protection Agency. Kuder said phones put in landfills put hazardous materials and toxins into soil and water.

“People know they should do something environmentally responsible but don’t know what to do,” he said. What they can do, Kuder said, is use an ecoATM.

“We make it convenient. It takes minutes. Sixty percent of the [recycled phones] find a second life as a refurbished phone, and many end up being insurance phones,” he said.

Stephanie Burgos and her brother, Ricardo Burgos, of Waukegan were using a Gurnee Mills ecoATM Aug. 14 with their mom. Stephanie said the ecoATM was easy to use, as it also gave directions in Spanish.

For the 40 percent of phones that can’t be refurbished, materials are reclaimed and go back into the supply chain, Kuder said. The process at the kiosk has three steps. First, the ecoATM will check the user’s identification by scanning a driver’s license or other form of identification to cut down on theft and fraud, Kuder said.

Once the device is placed in the machine, advanced robotics analyzes it for its type. The kiosk can identify up to 4,000 devices, including not only phones but mp3 players, e-readers and tablets.

The user will be presented with a cable for electrical analysis such as memory. Kuder said, “We are certified to recycling standards that include how data gets handled, so when you turn your phone over to us, your data is never accessed or stored,” he said. “But always erase your phone when you sell or recycle it.”

After the analysis is complete, which takes only minutes, Kuder said the ecoATM will offer between $1 and $300 for the device. The amount offered is based on the device’s current market value, Kuder said, so an old flip-phone won’t be worth as much as a newer smart phone.

**GreenSpot DROPoff Blog**
EcoATM Found in the wild
August 21, 2013
Have you ever seen one of these new EcoATMs in the wild? Katie Laster (previously known as GREENspot DROPoff’s Blogger) snapped this shot in Burbank.

Here is some more info:

What devices can I bring to an ecoATM?
We currently accept phones, mp3 players and tablets.

How does ecoATM determine pricing?
ecoATM prices each phone based on:

Model
Specific condition
Value in the secondary markets

The price range is significant. Some newer models can fetch $300, while older phones may only be priced for $1. The specific condition of each individual phone is carefully determined by the ecoATM machine vision systems, electrical diagnostics, and artificial intelligence system in order to get the best price we can find in secondary markets. To summarize: A phone with water damage or a broken LCD will be worth less than a fully functional phone, and an older phone will be priced at a lower price than a phone that’s still performing well in the current market.

How does ecoATM pricing compare with selling my phone online?
ecoATM shops worldwide channels for the best prices we can find for each individual phone model. Our prices are competitive with other cell phone buyback services and we accept more kinds of devices than most of our competitors.

ecoATM also provides immediate evaluation and payment, unlike online methods that can take as long as 45 days to pay. Additionally, in online selling, consumers “grade” the condition of their own phone and it is often the case that once the buyers disagree with that condition “grading” and in turn offer substantially less than was originally quoted and expected. This never happens with ecoATM.

Does ecoATM accept accessories, like chargers?
ecoATM accepts all chargers and other accessories (cases, etc) for recycling whether they’re working or not, but we can not pay for the accessories.

Does my device have to be charged before I visit ecoATM? Do I have to bring my own cord to charge it if so?
Your device does not have to be charged – though keep in mind that whether or not the phone powers up will affect pricing. During its price assessment, ecoATM will offer you the appropriate cord for your device. We also have charging stations attached to most kiosks.

What happens to my device once I’ve ended my transaction and it’s in the ecoATM?
All devices find one of two paths:

Reuse = 60%  
Recycle = 40%

Almost all consumer electronics contain toxic materials such as lead, mercury, arsenic and a broad variety of other materials that pose a threat to the environment and our health. The first and best thing we can do is to extend the life of existing devices as long as possible so that there is no need to build new devices to take their place. To this end, ecoATM is able to find a second life for approximately 60% of the devices we collect. The next best thing we can do is to responsibly reclaim materials from devices that are truly end-of-life.

For the 40% of devices that ecoATM collects which we cannot find a second life, we partner with the best eWaste reclamation facilities in the world to ensure those materials, particularly the precious metals, are reclaimed and reused in place of mining new materials and precious metals from the Earth.

How do I know you’ll recycle my phone responsibly?

ecoATM is certified to the industry leading standards of R2 and ISO 14001.

Beyond this ecoATM uses the best environmental practices and processes possible. At some point in the lifecycle of a device, it becomes truly end-of-life. These devices can be “mined” to extract precious metals, spare parts and other materials that can be re-used. This material re-use is a key component to solving the eWaste problem. ecoATM only partners with limited number of eWaste recyclers who meet our qualifications and are certified to either R2 or eStewards. ecoATM is certified to R2 and ISO14001.

What happens to the data on my phone?

Your personal data is never downloaded or stored by ecoATM or any of our partners. Whether selling a device to ecoATM or anyone else, ecoATM encourages you to erase all personal data in advance. Consult the device’s manual or search the Internet to find out the best method for fully erasing your device’s memory.

ecoATM only partners with a select group of reputable, worldwide, secondary market buyers. Before we form these partnerships, we ensure these buyers have the appropriate facilities and technology to erase personal data from all devices destined for secondary use. ecoATM then requires each buyer to enter a contract which legally binds these buyers to erase personal data from all devices and/or destroy the devices (and data) in the materials reclamation process. Phones that are bound for secondary markets are erased as part of the refurbishment process under these contracts. Phones that are sent to materials reclamation are generally shredded into small chips and smelted at high temperature so any data is destroyed in the process.

Keep in mind that, while ecoATM encourages, contractually and otherwise, all third parties involved – including but not limited to subsequent purchasers- to adhere to our policies regarding handling any personally identifiable information on any recycled cellular phone, we cannot and do not assume any responsibility for any actions or omissions of third parties, including the manner in which they use such information. Please erase any personal data on your devices in advance of selling it to ecoATM or anyone else.
Is it true that ecoATM’s operate totally on their own, without any human-involvement?

This is false. Whenever someone uses an ecoATM, they are required to present a valid ID, which is then scanned so our team of online attendants (real, live human beings) can check it against multiple photos the ecoATM has taken of the seller in front of the machine. The transaction will be declined if:

- The person doesn’t match the ID
- If they’re under 18 years old
- The ID is invalid

Though we love and trust our machines, you can rest assured that you are never alone when you’re visiting your local ecoATM.

How do you work with law enforcement?

Along with the steps above, ecoATM collects information about each sold phone and scans each seller’s thumbprint at the kiosk. This information, along with the photos taken of the seller and their ID, is shared with police and also sent to nationwide electronic databases like LeadsOnline or Business Watch Internationals’ RAPID system so that it’s searchable not only in the local area, but also by law enforcement nationwide. We also hold all phones at our processing facility for 30 days after the initial transaction, in case we need to return a device to its owner.

What steps have you taken to protect my stolen phone from being sold at an ecoATM?

We work closely with police in more than 300 locations on their investigations. The vast majority of those police officers will tell you that we cooperate well beyond what we are required to by law to help them get the data they need to catch thieves.

We’re also honored to work with a law enforcement advisory board made up of retired Chiefs, Commissioners, head detectives, and officers from some of the biggest police and sheriff’s departments in the country who provide us with guidance and ideas on how best to help local law enforcement.

We collect thousand of phones per day and based on reports, fewer than 5 lost or stolen phones wind up in an ecoATM for every 10,000 phones we collect. But if you do happen to have your phone lost or stolen and it ends up in an ecoATM, we will return it to you at no cost. That is a guarantee.

Why don’t you limit the number of phones someone can sell you?

Police have asked us not to. They fear that if we turn someone away from an ecoATM, that person is going to go somewhere else to sell stolen phones. If we buy those phones, we can report those transactions to the police and help them identify and arrest the suspect.

Can I buy or franchise an ecoATM kiosk?

Not at this time. ecoATM builds, owns, maintains and installs the kiosks in high-traffic retail locations.

ecoATM has become aware that individuals or entities unrelated to ecoATM are offering to sell, lease or license ecoATM kiosks. Please be advised that ecoATM does not sell, lease or license its kiosks, and has not authorized any individuals or entities to sell, lease or license its kiosks. Please disregard any such
offers, and report them to our corporate hotline, so that we may take appropriate action to prevent any potential fraud to consumers or harm to our business.

**ABC2News**

**ecoATM offers quick cash, opportunities for thefts**

**August 19, 2013**

BALTIMORE, Md. - iPhones, Androids; 4, 4s, 5, Galaxies and Droids; every six months or so there is a new phone promising the next big thing.

We as consumers are quick to upgrade leaving behind a pile of used or obsolete technology; a pile many companies want to market, one of the fastest growing ones is called ecoATM.

"I mean the stats are staggering. If you look around the country there is an estimated $5 billion worth of used electronics used in drawers, just you know, decaying in value," said ecoATM representative Drew Spaventa.

It is ecoATM's business model to cash in on that value.

You may very well have seen their machines in our local malls and the process seems simple enough. Take your old cell phone, put it in the machine and if you clear its security measures, it will instantly spit out the cash value, but it's that gratification of an immediate transaction that has local lawmakers taking their own quick action.

"Right now we passed a ban on these machines in Baltimore City," Baltimore City Councilman Bill Henry said.

Henry wrote the bill that so far passed committee; ecoATM machines are not welcome within city limits. The thought is, the company's kiosks make it easy for criminals to cash in on cell phone robberies which city police say anecdotally are well on the rise.

While there used to be a machine in Mondawmin Mall, there are currently no machines in the city; the working theory is phones are being stolen in the city and being cashed in at machines in the counties.

"I am seeing more and more cases of especially the high end, the iPhones the smart phones being stolen. And the fact that there are 8 of these machines in a ring around Baltimore at malls in Baltimore and Anne Arundel County and that these machines have come in at the same time that we are seeing the spike...that seems a little bit more than just coincidence," Henry said.

And so in order to give his bill even more teeth, Henry started to float the idea of a ban to the surrounding counties. There is enough interest in and outside the beltway that representatives from ecoATM traveled from San Diego to address the Baltimore City Council last month.

"The immediate reaction is let's go work with them, let’s educate them. We have a long standing commitment to working with law enforcement and we’re really proud of our product," Spaventa said.

That education includes telling the council about ecoATM's security measures.
If you use these machines, you must be over 18, submit a valid ID to be scanned along with a thumbprint as well as be monitored in real time via camera from an attendant in San Diego.

In addition, the company says it generates reports to local law enforcement with the collected data if the phone is proven stolen.

No other company goes that far ecoATM says and with more than 600 machines in 40 states, the company boasts only one stolen phone per 1500 end up in their kiosks.

But law enforcement still believes because it is a machine, it is fallible and can creates a quick cash scenario for criminals.

"There are a number of outlets for stolen merchandise and we feel that in a partnership with other businesses that accept second hand trade items or for sale items, we have to have that same type of relationship."

The Baltimore Police Department's Director of Governmental Affairs, James Green is working with ecoATM to develop a more dependable reporting system.

In Baltimore, any second hand store must catalogue and hold any merchandise it buys as sort of a vetting process to make sure the goods aren't hot.

Green expects ecoATM machines which are monitored from 3,000 miles away to have to do the same kind of instant reporting directly to police.

"That it's timely, that it's accurate, that it is a lead toward catching the perpetrator," Green said.

If they don't develop a system like that, the full city council promises to ban the company from the city and work to do the same in the counties, but so far city police say representatives from ecoATM have been working diligently to meet law enforcement concerns. It has until next month before the ban comes up for a vote in Baltimore city.

Baltimore is not the only law enforcement agency concerned about the machines, Chief Cathy Lanier of DC Metropolitan Police has been very outspoken against ecoATM being a haven for criminals to cash in on stolen phones. But Green says DC, Baltimore and Maryland are all currently working in concert with the company on these new regulations in a special task force.

Daily Herald
EcoATMs offer consumers chance to sell, recycle phones
August 16, 2013
As the use of mobile phones, tablets and other devices continue to flourish, so will that junk drawer at home that's already filled with yesterday's favorites.

What to do with that older technology? Cash or recycling are options and EcoATMs can evaluate your device and make you an offer. The robotic kiosks started going into shopping malls in 2009 and are now available at about 700 shopping malls nationwide, including 18 locally. EcoATM sites include Woodfield Mall, Gurnee Mills, Westfield Hawthorn, Yorktown Center, Spring Hill Mall, Westfield Fox Valley, among
others. EcoATMs, which is based in San Diego, Calif., was acquired in July by Outerwall, formerly known as Coinstar, which also owns Oakbrook Terrace-based Redbox, said EcoATM spokesman Ryan Kuder.

A look at ecoATM
"EcoATM has a grand ambition to be located within five miles or closer to 90 percent of the U.S. population to make e-recycling as convenient as possible," Kuder said.

So far, about 1,000 people use an EcoATM daily, many interested in getting the cash value while others just recycle the device, he said.

Here's how it works: EcoATM prices each phone based on the model, condition and value in the secondary market. The kiosks use robotics, advanced imaging and electronic diagnostics to evaluate the device and determine a price, Kuder said.

The machine identifies about 4,000 different devices and can quickly analyze its operations, storage space and even physical damage. Offers can go as high as $300 for the most recent iPhones to nothing for older or damaged phones, which make them candidates for recycling. He declined to provide an average amount paid for some common flip phones, but said an iPhone 4 or 4s could fetch about $200, he said.

"Typically, newer smartphones will be worth the most, where older feature phones like flip phones might be worth considerably less. EcoATM prices are competitive with other cellphone buy back options and we'll take a lot of phones that other buyback services won't including older or damaged phones," said Kuder. "While the machine can't negotiate prices with a customer, the customer can always decline the offer and keep their phone. In any event, whether we can make a cash offer or not, we'll always offer to help the customer recycle their phone in an environmentally responsible manner."

And there's no haggling allowed. If a customer runs into a problem while using the EcoATM, the customer can call a support number, but don't look to negotiate an extra $5 in the deal, he said.

"With so many old phones just sitting in around in drawers, we're glad that EcoATM can help Chicago residents find an easy and environmentally responsible way to recycle their phones and put a few dollars back in their pocket in the process," Kuder said.

Surfing: Jewel-Osco, which has its offices in Itasca, sent its customers an email this week, saying it will launch a redesigned JewelOsco.com on Monday with a store locator makeover and new features. And those who have signed up to receive emails will begin receiving the new local weekly ad starting Tuesday. In addition, a new Jewel-Osco mobile app called Jewel-Osco Mkt, will launch. If you've already downloaded the Jewel-Osco mobile app you'll receive an update to the app on your phone. It will come soon to the iTunes Store and Google Play. A Jewel-Osco spokeswoman did not immediately respond for comment.

Wicked Local Danvers
EcoATM recycles phones, tablets at Danvers mall
August 12, 2013
Danvers —
Recently an ecoATM, a eco-friendly kiosk where customers can recycle used cell phones, tablets and MP3 players for up to $250 in cash, was installed in Liberty Tree Mall. The kiosk is located near the food court in the Danvers mall.

A lot of people have a “junk drawer” of old electronics but don't know what to do with them. These electronics can end up in landfills or incinerators, adding toxic waste to the environment. The founders of ecoATM wanted to solve this problem while offering an instant reward. The kiosks pay up to $250 cash depending on value and usability of the device being recycled. EcoATM finds a second life for 60 percent of devices and recycles the rest.

There are now 15 ecoATMs in Massachusetts, including the one in Danvers. There are also ecoATMs in Northshore Mall, Woburn Mall, CambridgeSide Galleria and Burlington Mall.

According to the Environmental Protection Agency, in 2010, an estimated 152 million mobile devices were discarded, and only 11 percent were recycled. Between 2006-2010, 89 percent of handheld personal electronics wound up in landfills or incinerators.

The average U.S. home has 26 electronic devices, and about 62 percent of households have at least one mobile phone not in use. An estimated 30 percent of people are not aware that the phones can be recycled.

The first ecoATM was installed in September 2009, and there are now nearly 600 kiosks across 40 states, with 2-3 new kiosks added to shopping centers per day.

As of April, ecoATM had recycled one million mobile devices. Cash given for mobile devices ranges from $1 to $300 per device, and every transaction provides an opportunity to donate some or all proceeds to charity.

EcoATM is able to find a second life for approximately 60 percent of devices collected. For the remaining 40 percent, ecoATM partners with certified eWaste reclamation facilities to ensure those materials are responsibly reused and recycled.

The annual environmental impact of a single ecoATM kiosk, according to an EPA calculator:
- 4,309 kilos of greenhouse gases saved;
- 426 gallons of oil saved;
- 212 brick-size units of hazardous waste averted from landfills;
- 2,000 trees planted by ecoATM via Trees for the Future in Haiti;
- Energy savings equivalent to 21 houses removed from the grid;
- Greenhouse gas reduction equivalent to three cars removed from the road.

Full of Knowledge

**Start-Up Costs: EcoATM's Example of Getting the Right Amount of Capital**

**August 2, 2013**

EcoATM is a relatively new company that is focused on reducing the amount of electronic waste that the U.S. produces each year. It does this by providing eco kiosks where people can trade unwanted cell phones for coupons and cash. These self-service kiosks make it easy for consumers to recycle electronic goods.
The importance of capital can never be underestimated. Many sites online have provided a good list of all the things that business people will need capital for. It should serve as a useful guide for persons in many different sectors.

The need for cash is the same across most industries. You still have people to pay, utility bills, shipping and other costs, whether you operate a salon, a day care or a transportation business. Without the right estimates made for start up and operating costs, a business may fail. You should get help from an experienced person in this area if you want to succeed.

EcoATM was founded in 2008. Before going to market, company founder Mark Bowles made sure that he secured seven patents that were important to his business.

He also ensured that he secured enough financing to cover the costs of bringing the business to where it needed to be, in order to become successful. The total amount of money he got before starting production in 2011 was USD $72 million.

**What's Green with Betsy?**

**What is an EcoATM?**

*August 1, 2013*

From time to time eco-friendly businesses contact me to blog about their product. I’m impressed and wowed by the quality and “green” ingenuity of these products, including the most recent inquiry, EcoATM!

The EcoATM is a kiosk where you can recycle your new, used or broken phones, mp3 players and tablets and get cash for them. Founded in 2008, the San Diego-based company has more than 600 kiosks in 40 states. Their goal is to be located within five miles or closer to 90% of the US population to make e-waste recycling as convenient as possible.

Entrepreneur and founder Mark Bowles was inspired by a survey that found that only 3 percent of people worldwide recycle their mobile phones. According to the Electronics TakeBack Coalition, the U.S. disposes of more than 384 million units of electronic waste each year, and less than 20 percent of that is recycled. That leaves 80 percent dumped in landfills or burned, leaking toxic substances into the environment.

Let’s face it – many people need motivation to recycle and money is a great motivator. That’s why the EcoATM is such a good solution to the recycling problem, and using the fully automated, self-serve kiosk, often in malls, is easy.

Simply place the mobile device in the ecoATM test station and submit your personal id, which is matched with an image of the seller taken at the kiosk.

The machine quickly evaluates the device, searches for the highest price in the worldwide market to sell it, and gives you cash on the spot. The process only takes a few minutes and the average seller walks away with approximately $25 to $300, depending on the device. EcoATM staff remotely monitor every transaction. Each kiosk also has a free charging station and a place to recycle accessories.

What does EcoATM do with all these devices? They refurbish 75 percent and the rest goes to reputable e-waste recyclers.
Security is of utmost importance to EcoATM and they go beyond what State and local laws require to ensure safety and deter stolen items or fraud; privacy information is also securely encrypted. Furthermore, ecoATM works closely with law enforcement to locate stolen phones.

Kudos to EcoATM – a great example of the kind of inventiveness that can create jobs and help solve pressing environmental issues. For more information and to find an ecoATM near you, visit www.ecoatm.com.

10TVNews.com

**Thieves Using Cellphone Trade-In Machines To Get Quick Cash From Stolen Goods**

*July 31, 2013*

COLUMBUS, Ohio - EcoATMs are placed at malls around central Ohio to provide a way for customers to trade their old phones in for money. A user can just drop their phone in a bin, and the machine scans it for market value. Customers can get up to $300 cash on the spot.

But some criminals see the machines as a way to turn stolen merchandise into money. 10TV teamed up with plain clothes officers who have been secretly watching the ecoATMs for months.

Within 15 minutes, a hidden camera spotted what police called a suspicious transaction. It was a man and a woman trying to score quick cash with nearly a half-dozen phones. Experts say it takes less than 10 seconds for a thief to smash out a window of a car and reach in to grab your phone.

Since March, Columbus police have charged 15 people accused of selling stolen phones, and investigators have identified 52 stolen phones turned in to ecoATMs. That's the tip of the iceberg.

Police are waiting on subpoena results for another 647 phones that undercover officers suspect are stolen. Authorities say the ecoATM company has added security measures, like requiring users to show identification. Police say a live operator is supposed to compare the photo to the seller.

Ohio Senator Jim Hughes is drafting legislation to stiffen the punishment for thieves who target electronics containing your personal and financial information.

"We need to update this, because if we don't, people are going to get taken advantage of," said Hughes.

Senate Bill 63 would enhance the charge from a misdemeanor to a felony, a possible deterrent for thieves looking to make a fast buck. EcoATM told 10TV that the company was not aware of Ohio's "Do Not Buy" List, which includes anyone convicted of a theft. The company said it will now work with law enforcement to access that database.

The company's website states that fewer than one out of 4,000 devices it collects is later reported lost or stolen.

**Daily Finance**

**Outerwall Closes ecoATM Deal**

*July 24, 2013*

Outerwall, formerly known as Coinstar, finalized its acquisition of ecoATM, Outerwall announced today. The companies had entered into a definitive agreement to merge on July 1.
Outerwall had a 23% interest in ecoATM previous to the merger agreement and ended up paying $262.9 million in cash for the rest of the company at the time of closing. $100 million of that cash payment came from Outerwall’s revolving line of credit. Outerwall is known for its Redbox DVD and video game rental kiosks, and its Coinstar coin-counting kiosks.

ecoATM provides automated self-serve kiosks that pay cash for used mobile devices, such as phones, tablets, and MP3 players. Some of ecoATM’s senior management have agreed to stay with the company after the merger. Outerwall formally changed its name from Coinstar on July 2.

Captstone Partners
Captstone Partners Advises ecoATM in its Sale to Outerwall
July 24, 2013
San Diego, CA - Capstone Partners, a leading international investment banking firm, is pleased to announce that it acted as sole financial advisor to San Diego-based ecoATM Inc. in its $350 million sale to Outerwall Inc.

ecoATM is the first company to create an automated self-serve kiosk system to purchase used mobile phones, tablets and MP3 players for cash. The kiosks use patented, advanced machine vision, electronic diagnostics and artificial intelligence to evaluate electronics. ecoATM’s eCycling stations provide a convenient trade-in solution that connects consumers real-time to broad worldwide secondary markets for the best possible pricing.

ecoATM capitalizes on the growing U.S. mobile device market where 175 million new devices are sold annually. Today, only 20% of used mobile phones are collected, with more than 50% being discarded or stored, representing a significant market opportunity. In addition, the demand for refurbished mobile phones continues to accelerate, due largely to growth in emerging markets.

"Outerwall is a great home for ecoATM, and we are excited to build upon our successful relationship to take the business to the next level," said Tom Tullie, chief executive officer of ecoATM. "We look forward to benefitting from Outerwall’s resources and expertise to accelerate ecoATM's rollout and bring our innovative solutions to consumers nationwide."

Capstone’s team consisting of David Michaels, Managing Director and Head of Technology & Telecom, and Teak Murphy, Vice President, managed the transaction on behalf of ecoATM. “ecoATM has pioneered kiosk-based electronics device recycling and the diagnostic systems and e-commerce software platform they have developed is game changing,” said David Michaels. “Outerwall is ideally positioned to leverage its unique expertise operating kiosk-based businesses to accelerate the growth and maximize the profitability of ecoATM.”

"Having an experienced M&A advisor such as Capstone Partners on our team was invaluable to us. They really took the time to gain a deep understanding of the technology and operating metrics that drive our business and played a key role in helping us evaluate the strategic implications of this transaction. Capstone did a great job," added Tom Tullie, chief executive officer of ecoATM.

About Capstone Partners LLC
Capstone Partners LLC is a leading international investment banking firm dedicated to serving the corporate finance needs of middle market business owners, investors and creditors. The firm provides merger & acquisition, private placement, corporate restructuring, valuation and financial advisory
services. Capstone has significantly expanded its capabilities in the technology sector over the last twelve months with the acquisition of SagePoint Advisors based in California and Grenport Limited based in London. The firm also possesses merchant banking capabilities to actively co-invest in transactions.

Cool Mom Tech

The ecoATM: A fascinating if a slightly Orwellian way to recycle your tech for cash

July 13, 2013

I am fascinated by the concept of something called an ecoATM. My first thought is that it runs on solar power and doesn’t print receipts. But then I learned it’s not about getting money. At least not without putting more inside it than a debit card.

The ecoATM is starting to crop up in malls and high-traffic locations around the country. (Find us in the Westfield Mission Valley Mall at the food court next to Macy’s Home Furniture!) It’s essentially an automated way to get market value resale prices for your used mobile phones, tablets and MP3 players. Sorry for those of you looking to dump that old blueberry iMac.

The technology is super cool—watch the demo video to get a sense of it—and the prices you’re offered are based on the condition and resale value, fetching you anywhere up to a reported $300 for a new phone.

Now here’s the crazy techie stuff: there’s all kinds of fancy electrical diagnostics, a vision system, and “artificial intelligence” (really) to determine the value of your used tech. It will know if your screen is cracked or there’s water damage from that one time at the pool. It also means the valuation system is better than a guy in a pawn shop going eh, I’ll give you five bucks for an iPad 2 in great shape.

Other nice things about this: You get paid immediately. You can reject the price if you don’t like it. Or if the item has no resale value, it will be properly recycled. I also like that you can recycle chargers and accessories through the machines, even if you don’t get paid for them, and have the option to donate some or all of your cash to one of several charities instead of keeping the money.

Now here’s the Big Brother part: you have to present a valid ID at the ecoATM which is scanned and then checked by real people against photos of you in front of the machine to ensure that you’re that person, and over 18. I get it, because it’s what helps prevent fraud. But on top of that, your thumbprint is scanned at the kiosk and your info shared with national law enforcement agencies. I suppose that’s not scary if you’re not a cell phone thief, but wow...that’s a lot of info I’m giving out just to be able to recycle an old Nokia from 1998.

On the other hand, it’s reassuring to know that if someone tries to pawn off your own stolen phone through the kiosk, you’ll probably get it back. I can’t think of another ATM that tracks you down to give you anything at all. –Liz

Tech and Gadget

EcoATM Collects old cell Phones in the Supermarket

July 12, 2013

ecoATM cell phone recycling The Californian start-up EcoATM says the rapidly growing e-waste problem in the fight and wants to boost the cell phone recycling collection with the help of machines in American shopping malls.
Old mobile phones are simply defined and checked into the input tray of the machine (stored on the phone memory will be erased later). For each unit there is to be recycled to $ 11 according to the supplier. So far, the company has set up nine stations (especially in Southern California). 200 more are to follow soon.

In addition, the recycling program will be expanded to prepare other gadgets soon – for old laptops, there will be even up to $ 100, according to the company.

When and if the recycling machines service will come to Europe or Germany, unfortunately, is still unclear. The idea is as clever as environmentally friendly and seems to have interesting economic prospects: Among others, since 2010, the U.S. vending giant Coinstar a major investor in EcoATM.

Design to Improve Life

CASH IN YOUR OLD ELECTRONICS AT THIS ATM MACHINE

July 12, 2013

Nowadays, most people know about recycling and engage with it to some degree, but many of us still either throw away or store old and unused electronics, simply because we don’t know what to do with them. But, there is an alternative: Feeding the unwanted electronics to ecoATM. Not dissimilar to a regular ATM, the ecoATM with eject cash in return for your unwanted device(s). It’s a great way to recycle your e-waste and earn money in the process!

Death to all electronic waste (e-waste)! Only in a world where everyone worked together to combat e-waste would this be possible. With limited knowledge of how to rid ourselves properly of worn out electronics the wish to kill e-waste is even more elusive as a staggering amount is still produced every single day.

In terms of numbers, the U.S. alone disposes of more than 384 million units of e-waste each year, and less than 20 percent of that is recycled, according to the Electronics TakeBack Coalition. The remaining 80 percent is burned or dumped in landfills, leaking toxic substances like mercury, lead, cadmium, arsenic and beryllium into the environment.

There is a huge need for proper riddance of e-waste and ABI Research expects the worldwide market for e-waste recovery to reach nearly $15 billion by the end of 2014, up from less than $6 billion in 2009.

It seems that many companies are figuring out how to make money off of e-waste, but most of them are focusing on large-scale B2B endeavors and this is all truly great. However, this does not help you and me rid ourselves properly of our e-waste, and it therefore often ends up in a electronics cemetery-like drawer in our home or goes right in the trash along with everything else. People generally want to do the right thing but we don’t always know what that is. Often, this is the case with old electronics, which is why we sometimes do the wrong things.

However, some people are just too lazy to actually go dump their stuff at the right place. Those people need an incentive to do the right thing. ecoATM has recognized this. The ecoATM is an automated; consumer self-serve kiosk that quickly evaluates and buys back used consumer electronics directly from consumers for cash. The whole process takes just a few minutes to complete.
ecoATM is the first and only company to create an automated self-serve kiosk system that uses patented, advanced machine vision, electronic diagnostics, and artificial intelligence to evaluate and buy-back used electronics directly from consumers for cash or store credit.

Almost all consumer electronics (mobile phones, computers, monitors, printers, etc.) contain toxic materials such as lead, mercury, arsenic and a broad variety of other materials that pose a threat to the environment and our health. The first and best thing we can do is to extend the life of existing devices as long as possible so that there is no need to build new devices to take their place.

The ecoATM simplifies and rewards recycling of your electrical devices. It will examine any device and then search for the highest price it can find in the worldwide market.

ecoATMs are able to find a second life for approximately 60% of the devices they collect. For the 40% of devices that ecoATM collects which it cannot find a second life, ecoATM partners with the best e-waste reclamation facilities in the world to ensure those materials, particularly the precious metals, are reclaimed and reused in place of mining new materials and precious metals from the Earth.

Vending Times
Coinstar Changes Name To Outerwall, Acquires EcoATM
July 10, 2013
BELLEVUE, WA -- Coinstar Inc. is officially Outerwall Inc., following stockholder approval of the name change on June 27. The company began trading under the new name and Nasdaq ticker symbol OUTR on July 2.

The company proposed the name change last month, explaining it is intended to convey "pushing the walls of retail out into a new dimension through current and future automated retail solutions." It also reflects Coinstar’s evolution from a single coin-counting kiosk business into multiple automated retail businesses, including its Redbox DVD rental machines and, most recently, Seattle's Best-branded Rubi coffee vending machines.

In line with its strategy of diversifying its automated retail solutions, the company has agreed to acquire ecoATM for $350 million. EcoATM’s self-serve eCycling kiosks allow consumers to trade in their used mobile phones, tablets and MP3 players for cash. The kiosks use electronic diagnostics and artificial intelligence to evaluate electronics to establish a price value and pay consumers on the spot. Outerwall already held a 23% ownership stake in ecoATM, which will remain headquartered in San Diego, CA.

Outerwall estimates that 175 million new mobile devices are sold annually and only 20% of used mobile phones are collected, with more than 50% being discarded or stored, representing a significant market opportunity. The company also said that demand for refurbished mobile phones continues to accelerate, due largely to growth in emerging markets.

The transaction is expected to close in the third quarter of 2013.

"With ecoATM, Outerwall will advance its evolution into multiple automated retail businesses and increase our exposure to the growing demand for refurbished products and mobile devices across the globe," said J. Scott Di Valerio, chief executive of Outerwall. "As evidenced by our growing investment in ecoATM over the last four years, we are confident that ecoATM’s innovative, environmentally minded business model will continue to resonate with today’s technology savvy consumers."
Outerwall to Acquire ecoATM

Outerwall Inc., formerly known as Coinstar Inc., has entered into a definitive agreement to acquire ecoATM for $350 million in cash. The deal will include payoff of certain debts and transaction costs, subject to adjustment for working capital as of closing. Outerwall currently holds a 23 percent ownership stake in San Diego-based ecoATM.

ecoATM is an automated self-serve kiosk system that purchases used mobile phones, tablets and MP3 players for cash. The kiosks use patented machine vision, electronic diagnostics and artificial intelligence to evaluate electronics.

“With ecoATM, Outerwall will advance its evolution into multiple automated retail businesses and increase our exposure to the growing demand for refurbished products and mobile devices across the globe,” says J. Scott Di Valerio, CEO of Outerwall. “As evidenced by our growing investment in ecoATM over the last four years, we are confident that ecoATM’s innovative, environmentally minded business model will continue to resonate with today’s technology savvy consumers.”

“Outerwall is a great home for ecoATM, and we are excited to build upon our successful relationship to take the business to the next level,” says Tom Tullie, ecoATM’s CEO. “We look forward to benefitting from Outerwall’s resources and expertise to accelerate ecoATM’s rollout and bring our innovative solutions to consumers nationwide once the transaction closes.”

Outerwall Inc., based in Bellevue, Wash., operates Redbox DVD vending units and Coinstar change counting and rolling machines.

Outerwall to buy EcoATM for $350 million

Outerwall Inc. (Bellevue, WA), maker of the Coinstar and Redbox kiosks, has signed a definitive agreement to buy ecoATM (San Diego, CA), a provider of automated, self-service kiosks allowing the purchase of used mobile phones, computer tablets, and MP3 players for cash. Outerwall had previously owned 23% of ecoATM but will now own it outright, paying off ecoATM’s debt as part of the transaction. Outerwall said that the U.S. market for mobile device recycling is substantial, with 175 million new devices being sold annually, while only 20% of used devices are collected and the rest are discarded into the trash or stored. “With ecoATM, Outerwall will advance its evolution into multiple automated retail businesses and increase our exposure to the growing demand for refurbished products and mobile devices across the globe,” said J. Scott Di Valerio, Outerwall’s CEO. Tom Tullie, ecoATM’s CEO, commented “Outerwall is a great home for ecoATM, and we are excited to build upon our successful relationship to take the business to the next level. We look forward to benefitting from Outerwall’s resources and expertise to accelerate ecoATM’s rollout and bring our innovative solutions to consumers nationwide once the transaction closes.”

Analyst: Outerwall’s EcoATM Acquisition Will Help Grow Margins

Outerwall’s acquisition of ecoATM will help the company grow its margins, according to analyst Scott T. Devitt of Stifel. “We believe Outerwall will realize $100 million in additional revenue and a corresponding $50 million in pre-tax profit by 2016,” Devitt said. “We are comfortable with Outerwall’s ability to achieve the stated $100 million in additional revenue, and believe the company will realize a $50 million to $60 million in incremental pre-tax profit. The incremental profit is primarily a result of high credit margins on the ecoATM transactions, in-excess of 80%, and the additional revenue as a result of the kiosks being sold on a machine by machine basis.”

Cheat Sheet

July 9, 2013

July 9, 2013

July 9, 2013

July 9, 2013

July 9, 2013

July 9, 2013

Outerwall to Acquire ecoATM

Outerwall to buy EcoATM for $350 million

Analyst: Outerwall’s EcoATM Acquisition Will Help Grow Margins
Before the market opened on Tuesday, Outerwall (NASDAQ:OUTR) — formerly Coinstar — announced it agreed to acquire ecoATM for $350 million in cash. The purchase price includes the payoff of certain indebtedness and transaction costs. As Outerwall already has a 23 percent ownership stake in ecoATM, we estimate that the total net cash payment will be roughly $270 million. The transaction is expected to close in Q3.

Outerwall expects ecoATM to be accretive to EPS in 2014 and to yield a positive return on invested capital in the coming years. We believe Outerwall has sufficient cash and credit to complete the transaction without requiring additional capital, and we believe that the company’s cash flow is sufficient to allow it to end the year with its balance sheet intact and positive net cash.

EcoATM operates self-serve kiosks that evaluate and buy back used consumer electronics (including mobile phones, tablets, and MP3 players) for cash. In a typical transaction, the user places the device in the ecoATM test station and the device is examined. The user is then provided with the highest price that ecoATM can find in the worldwide secondary markets, and if the user agrees to the price, he receives cash from the kiosk. Most of the devices purchased are “pre-sold,” meaning ecoATM has contracts with aggregators who agree to purchase whatever inventory ecoATM can attract at a set price. This enables ecoATM to offer a fair price to the consumer and ensure that it will generate a reasonable return.

Outerwall expects the acquisition to increase its exposure to growing worldwide demand for refurbished products and mobile devices. According to Tuesday’s press release, 175 million new devices are sold in the domestic mobile device market annually, with only 20 percent of used devices being collected and more than 50 percent stored or discarded. Outerwall will compete with GameStop (NYSE:GME), which generated mobile revenue of $184 million for the fiscal year ended January with an additional 30 to 40 percent of growth expected in FY:13 (implying $239 to 258 million) at an estimated gross margin of 30 percent or more.

We estimate ecoATM generates approximately $100 million in sales from 500 kiosks, and that the business has the potential to double over the next two years and to deliver margins similar to GameStop margins. At $100 million and 20 percent operating margin, the ecoATM business would generate approximately $12 million in net income, or approximately $0.40 per share.

Wednesday is the first day of trading for Outerwall under its new name and ticker, OUTR, after formerly being known as Coinstar. We are not encouraged by the change to Outerwall, as we think that the new name reinforces management’s intention to grow the company by introducing new lines of business. Instead, we think most investors prefer the company to sell its coin business, retire all debt, buy back convertible shares, and rename the business as Redbox.

Our estimates remain unchanged. Although the acquisition is expected to be accretive in FY:14, we are maintaining our FY:14 estimates for revenue of $2.82 billion and EPS of $6.50 until the company provides guidance or more specifics around the financial impact of ecoATM. We are also maintaining our FY:13 estimates for revenue of $2.56 billion and EPS of $5.60 versus guidance for revenue of $2.385 billion to $2.545 billion and EPS of $5.05 to $5.55.

Maintaining our OUTPERFORM rating and 12-month price target of $78, which reflects a multiple of ≈ 12x and our 2014 EPS estimate of $6.50. This is a discount to its historical valuation to reflect recent rental demand declines, increasing competition for the Verizon (NYSE:VZ) JV, the negative impact of the
NCR kiosk acquisition so far, uneven profitability, and long-term technology challenges. After the ecoATM transaction closes and we have greater visibility, we will revisit our estimates.

Investment thesis: Ultimately, we think that Outerwall is a value story with solid recurring revenues from its coin and DVD rental business, and modest growth prospects from brand extensions such as gift card exchange and ticket sales. These ventures require modest capital investment, limited inventory risk, and appear to be natural extensions of the company’s core businesses. The company’s other new ventures are far more ambitious in scope, and although we remain optimistic about the coffee business, we are skeptical that any of the others will meaningfully contribute to revenues over the next several years.

We think that Outerwall management would be better served by focusing on harvesting cash flow. Once the company is able to establish that its core businesses are stable and not in decline, we believe investors will embrace modest expansion into new ventures. Until then, we think current investors must accept that the company’s earnings and cash flow growth will be more modest as management chases new opportunities. This will likely depress Outerwall’s multiple to a below-market multiple.

Risks to attainment of our share price target include changes to movie release timing, the effects of competition – from other video rental companies including Blockbuster and Netflix (NASDAQ:NFLX) and other forms of entertainment — variability in consumer demand for video rentals, changing macroeconomic factors, and debt repayment and refinance risk.

Waste 360

Outerwall Buys Electronic Recycling Kiosk Firm EcoATM

July 3, 2013

Outerwall Inc. has bought electronic waste recycling kiosk company EcoATM for $350 million.

San Diego-based EcoATM provides automated self-serve kiosk systems to buy used mobile phones, tablets and MP3 players for cash. The eCycling kiosks use electronic diagnostics and artificial intelligence to evaluate electronics, the companies said in a news release.

The Bellevue, Wash.-based Outerwall, formerly Coinstar Inc. and maker of the Redbox movie and video rental kiosks and Coinstar coin-counting kiosks, previously owned 23 percent of EcoATM and now will own 100 percent. Outerwall said the definitive agreement includes paying off EcoATM debt.

"With ecoATM, Outerwall will advance its evolution into multiple automated retail businesses and increase our exposure to the growing demand for refurbished products and mobile devices across the globe," said J. Scott Di Valerio, Outerwall CEO.

The company expects the transaction to close in the third quarter.

San Francisco Examiner

ecoATM helps SFPD catch jogger robber

July 3, 2013

A crook who robbed a jogger of her iPhone along The Embarcadero last month was caught after using an ecoATM at Westfield San Francisco Centre. The machine exchanges phones for cash but not without the seller's identification, according to police.
The robbery occurred June 11 when the jogger reported being accosted near The Embarcadero and Brannan Street and robbed of her iPhone 4.

Police searched the area but couldn't find the suspect. However, Southern Station inspectors later traced the stolen phone's serial number to the ecoATM at Westfield mall.

The ecoATM is where electronics can be recycled for cash without an attendant. Police call it an "electronic pawnshop." In order to use the machine, identification must be provided.

The crook provided his ID while using the machine about 20 minutes after robbing the jogger, police said. After finding out he lives in San Bruno, inspectors went to his home on June 23 and found the suspect in his front yard.

The suspect, who was on active felony probation for a prior carjacking conviction, was booked into County Jail on several felony charges, according to police.

San Diego Business Journal
San Diego-Based EcoATM Sells for $350M
July 3, 2013
EcoATM, the San Diego business that operates automated kiosks that recycle unwanted electronic devices, was acquired by Bellevue, Wash.-based Outerwall, formerly known as Coinstar, for $350 million in cash, the companies said.

Outerwall is well aware of EcoATM's business, having invested in the company in two venture capital rounds in 2011 and 2012. The public company, which makes automated machines that provide cash for loose change, owns 23 percent of the San Diego business.

That stake will be subtracted from the purchase price, and Outerwall will own all of EcoATM once the transaction is completed, expected in the third quarter.

Founded in 2008, and one of the more successful startups to come out of the region’s CommNexus incubator, the company raised a total of about $42 million in venture funding, including a $17 million round last year in which Coinstar was a lead investor.

EcoATM was said to be the first company to create an automated, self-service system that collects cellphones, tablets and MP3 players. The machines use patented, advanced machine vision and artificial intelligence to evaluate the used devices, and provide owners with an immediate cash rebate.

Scott Di Valerio, Outerwall’s CEO, said the acquisition will advance the company’s evolution into multiple automated retail businesses and increase its exposure to the growing demand for refurbished products and mobile devices around the world.

The transaction is expected to be accretive to Outerwall’s earnings in 2014, the company said.

Tom Tullie, EcoATM’s CEO, said the sale should accelerate the company’s rollout nationally. The company will keep its headquarters in San Diego.
**ecoATM Helps Police Arrest Jogger Robber**

**July 3, 2013**

A man who swiped a jogger’s iPhone along the Embarcadero was nabbed after trying to exchange the phone for cash.

At an ecoATM, where cell phones can be recycled, according to reports.

ecoATM machines, known to police as "electronic pawnshops," allow people to trade in used electronics for cold hard cash -- but such transactions require ID, according to the San Francisco Examiner.

The robber, who nabbed an iPhone 4 at The Embarcadero and Brannan Street from a female jogger June 11, used his ID to trade in the iPhone for cash 20 minutes after his heist, the newspaper reported.

Police were able to find his address from his ID, and visited his San Bruno home on June 23, the newspaper reported. He was found in his front yard, where he was arrested and booked into County Jail on felony charges.

**Street Insider**

**Outerwall (OUTR) to Acquire ecoATM in $350M Deal (CSTR)**

**July 2, 2013**

On July 1, 2013, Outerwall Inc. f/k/a Coinstar, Inc. (Nasdaq: OUTR)(Nasdaq: CSTR), a Delaware corporation, and Braeburn Acquisition Corporation (“Merger Sub”), a Delaware corporation and a wholly owned subsidiary of Outerwall, entered into an agreement and plan of merger (the “Agreement”) with ecoATM, Inc., a Delaware corporation (“ecoATM”) that provides an automated self-serve kiosk system to purchase used mobile phones, tablets and MP3 players for cash. Upon the terms and subject to the conditions set forth in the Agreement, at the closing of the transaction, Merger Sub will merge with and into ecoATM (the “Merger”), with ecoATM being the surviving corporation in the Merger and a wholly owned subsidiary of Outerwall.

The total purchase price for ecoATM will be approximately $350 million (which covers payoff of certain indebtedness and certain transaction costs), subject to certain adjustments including for working capital. Payment of the total purchase price (as adjusted) will be in cash and will take into account Outerwall’s current 23% equity interest in ecoATM for which no cash payment will be made. Approximately $44.5 million of the purchase price will be subject to an escrow holdback at closing as security covering various indemnification obligations under the Agreement as well as certain closing adjustments.

Closing of the Merger is subject to certain customary closing conditions, which include (a) applicable ecoATM securityholder approvals, (b) absence of any material adverse effect on ecoATM, (c) exercise of appraisal rights by not more than 15% of ecoATM stockholders, and (d) expiration of applicable regulatory time periods or receipt of appropriate governmental approval under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. The Agreement also contains other customary representations, warranties, covenants, and indemnities.

Assuming the expiration of applicable regulatory time periods or receipt of required antitrust approval and the satisfaction or waiver of other closing conditions, the Merger is expected to close in third quarter 2013. The Agreement provides that if it is terminated by ecoATM under certain circumstances relating to entry by ecoATM into an agreement for a specified transaction other than the Merger,
ecoATM could be required to pay Outerwall a $12.5 million break fee within 3 business days of such termination.

The foregoing summary is qualified in its entirety by reference to the text of the Agreement (and exhibits, as applicable), which is expected to be filed as an exhibit to Outerwall’s Quarterly Report on Form 10-Q for the fiscal quarter ending September 30, 2013 or a Current Report on Form 8-K to be filed in connection with the closing of the Merger.

Claremont Creek

**Exciting New Acquisition: ecoATM Acquired By Coinstar, now called Outerwall**

July 2, 2013

I am thrilled to announce today that Coinstar, now called Outerwall (NASDAQ:OUTR), the publicly held purveyor of 64,000 coin-counting and Redbox movie and video game rental kiosks, has acquired Claremont Creek portfolio company ecoATM for $350 million in cash. What a promising acquisition it is!

ecoATM makes automated, self-serve kiosks that quickly evaluate and buy back consumer electronics directly from consumers. As people continue to buy unprecedented numbers of new smart phones, tablets and MP3 players, they will increasingly gravitate to the convenience of selling their used gear to a growing network of highly sophisticated kiosks designed to complete the cash transactions within minutes.

It is no coincidence that Coinstar was a corporate venture capital investor in ecoATM’s two fund-raising rounds, as was Claremont Creek (a $14.4 million A round in February 2011 and $17 million B found in May 2012.). So Coinstar had a first-hand, in-depth look at the promise and growth of ecoATM. ecoATM recently announced the aggregate purchase and recycling of 1 million smart phones and the like, about double the number a year ago. The company, however, is still very much in a nascent stage. EcoATM is installing two new kiosks a day. By the end of 2013, it will have 900 kiosks in 24 states. It has been making plans for international expansion and to improve its technology, so that in the future ecoATMs, might be able to accept bigger items, such as personal computers.

Coinstar’s investment in ecoATM was also increasingly typical of heightened corporate venture capital participation in clean technology. In 2012, more than 20 percent of energy venture investments involved a corporate partner, compared to 15 percent across all venture investments, according to the National Venture Capital Association.

And at Claremont Creek, eight of our past 10 energy tech investments have included a corporate partner in the financing syndicate. (Late last week, Duke Energy invested in Claremont Creek-backed Clean Power Finance.)

Corporations embrace startup investments because they offer a chance to be a major player in new or expanded markets, while startups often welcome corporation investments as a validation of their technology and for access to enhanced marketing and channel relationships.

The ecoATM kiosk system is already inspiring mass participation in electronics and resale because it provides convenience and immediate cash incentive for consumers. With its growing network, ecoATM has already begun to forever alter the extremely wasteful life-cycle of consumer electronics in the United States, and this will only accelerate under the direction of Coinstar.
Qualcomm Ventures

Outerwall (Formerly Coinstar) Buys ecoATM For $350M In Cash To Expand Into Device Recycling Kiosks

July 2, 2013

Some changes underway in the automated retail space: Outerwall, operators of the Coinstar coin-counting kiosks and the Redbox disc and game distribution network, is acquiring ecoATM for $350 million in cash. EcoATM operates its own kiosk network focused on accepting used mobile phones, tablets and MP3 players for cash and has positioned itself, coincidentally, as the “Coinstar for used devices.”

Outerwall, which officially changed its name from Coinstar Inc. today complete with a new stock ticker (OUTR) and ringing today’s opening bell, was already an investor in ecoATM, which had raised $31.4 million in VC financing, plus another $40 million in debt. Because of the 23% stake that Outerwall already owns, that will be deducted from that $350 million pricetag, the company noted today. EcoATM is also holder of the 2012 Crunchie for best clean tech startup.

The move is a sign of consolidation in the self-service retail space, and also a mark of how Outerwall has much bigger ambitions beyond simply turning your multitudes of pennies into more useful dollar bills — hence, also, the rebranding.

It also underscores how lower-margin companies like these are looking for ways to ramp up into higher value items, while at the same time providing a much-needed service in our highly disposable economy. In the U.S. alone, ecoATM says 175 million new devices are sold each year, but in terms of older models, only 20% of used mobile phones are collected, and another 50% are either stored or simply thrown away.

“With ecoATM, Outerwall will advance its evolution into multiple automated retail businesses and increase our exposure to the growing demand for refurbished products and mobile devices across the globe,” said J. Scott Di Valerio, chief executive officer of Outerwall, in a statement. “As evidenced by our growing investment in ecoATM over the last four years, we are confident that ecoATM’s innovative, environmentally minded business model will continue to resonate with today’s technology savvy consumers.”

Outerwall, for its part, had already been extending well beyond coin machines and simply returning paper money in exchange for coin shrapnel.

In February 2013, the company (still called Coinstar at the time) kicked off a rollout with PayPal to let users credit their PayPal accounts with the change, as well as withdraw money from those accounts ATM-style and also transfer money to others.

It also owns Redbox, the Blu-ray, DVD and video game kiosk network in the U.S. and Canada, which offers a standalone service but also partners with Verizon for Redbox Instant. The company says that to date 2.5 billion discs have passed through the Redbox service.

Lesser known are the Rubi coffee kiosks launched last year.

EcoATM, which will remain headquartered in San Diego, says that going forward it will expand its service to more locations across the U.S. “We are excited to build upon our successful relationship to take the
business to the next level,” Tom Tullie, chief executive officer of ecoATM, said in a statement. “We look forward to benefitting from Outerwall’s resources and expertise to accelerate ecoATM’s rollout and bring our innovative solutions to consumers nationwide once the transaction closes.” That transaction is expected to close in Q3 of this year.

Puget Sound Business Journal
Outerwall buying ecoATM for $350M
July 2, 2013
Outerwall Inc., which used to be known as Coinstar Inc., said it’s buying ecoATM of San Diego for $350 million cash. Bellevue-based Outerwall (NASDAQ: OUTR), which currently owns 23 percent of ecoATM, said the company is an automated self-serve kiosk system used to purchase used mobile phones, tablets and MP3 players for cash.

Outerwall said that only 20 percent of used mobile phones are collected, and more than 50 percent are being discarded or stored, "representing a significant market opportunity."

"We are confident that ecoATM's innovative, environmentally minded business model will continue to resonate with today's technology savvy consumers," said J. Scott Di Valerio, Outerwall CEO, in a statement.

UT San Diego
EcoATM acquired for $350M in cash
July 2, 2013
San Diego cellphone recycling firm ecoATM has inked a deal to be acquired by Outerwall – formerly Coinstar – for $350 million in cash.

The takeover is expected to close in the third quarter and marks the largest buyout to date of a company that started in the EvoNexus incubator run by San Diego technology trade group CommNexus.

When it began about five years ago, ecoATM’s demonstration kiosk was made of wood. Initially, the company planned to have Boy Scouts collect cellphones door-to-door before switching to a kiosk business model.

Today, ecoATM has more than 600 high tech recycling kiosks in malls spanning 40 states. It employs 170 people, mostly in San Diego.

“"We think it’s a fantastic deal for shareholders," said Tom Tullie, chief executive of ecoATM, in an interview Tuesday. “We didn’t have to do it. It’s good timing, and they can help us grow.”

Outerwall owns the Redbox DVD kiosks and Coinstar counting machines. It expects ecoATM to contribute to its profits starting in 2014.

""With ecoATM, Outerwall will advance its evolution into multiple automated retail businesses and increase our exposure to the growing demand for refurbished products and mobile devices across the globe," said J. Scott Di Valerio, chief executive of Outerwall, in a statement.

Outerwall was an early investor in ecoATM, owning a 23 percent stake in the company before the deal. Its investment will be deducted from actual cash paid.
Claremont Creek Ventures also backed ecoATM, along with a few other venture capitalists and angel investors.

In all, ecoATM raised $31.5 million in venture capital and had $40 million in debt financing from Falcon Investment Advisors. The company plans to use existing cash and proceeds from the sale to pay off the debt.

EcoATM will remain headquartered in San Diego. Tullie expects to remain with the firm as it works to install 300 more kiosks in retail locations.

Last year, ecoATM had less than 50 kiosks in malls mostly in California, including several Westfield shopping centers in San Diego.

But it has been adding machines fast as it ramps up its business. The firm’s goal is to have a recycling kiosk within five miles of 90 percent of the population in the U.S.

With its kiosks, ecoATM offers an automated self-serve system to purchase used mobile phones, tablets and MP3 players for cash. The kiosks use patented electronic diagnostics and artificial intelligence to pinpoint the value of each device.

“This is not a trivial kiosk to build,” said Rory Moore, head of CommNexus. “There is phenomenal technology in those boxes.”

In the U.S., about 175 million mobile devices are sold each year. But only 20 percent of used mobile phones are collected. The rest are discarded or stored – representing a large market for ecoATM.

Of the recycled phones ecoATM collects, about 60 percent are sold to third party distributors, who resell them into emerging markets. The company sells the rest to recyclers for parts.

Outerwall announced the acquisition Tuesday before markets opened. Shares of Bellevue, Wash., company rose 90 cents to $61.20 in late day trading on the Nasdaq.

**Gigacom**

**Coinstar (now called Outerwall) to buy up gadget recycling kiosk startup ecoATM**

**July 2, 2013**

Startup ecoATM, which sells recycling kiosks for gadgets and phones, is being bought up by one of its investors: kiosk giant Outerwall, formerly named Coinstar, the companies announced on Tuesday. Outerwall, which already owned 23 percent of ecoATM, said it plans to pay $350 million in cash for the remaining amount of the San Diego-based company, including paying off its debts. Just a few months ago ecoATM had raised $41 million in debt financing from private equity firm Falcon Investment Advisors.

Outerwall’s kiosk distribution channels in retail stores is likely a good home for the five-year-old company. Few startups that are looking to build sustainable-focused technology have found exits in recent years. Along with backing from Outerwall and Falcon, ecoATM counted as investors Oakland-based Claremont Creek Ventures, Tao Ventures and Singapore billionaire Koh Boon Hwee.
ecoATM’s kiosks use sensors and video cameras to identify the device that the user is recycling, quantify its condition and worth, and offer the user compensation in cash or coupons. As of February of this year, the company had about 300 kiosks across 20 states, up from the 50 kiosks they had installed about a year ago. As of last month, ecoATM says it had 600 kiosks in 40 states. That’s a slower ramp up than the company had been hoping for, but being part of Outerwall will help significantly with expansion.

ecoATM plans to install hundreds more kiosks in stores and malls this year, and also expand the types of devices it can recycle automatically. ecoATM’s wireless-connected kiosks use software from startup Axeda to run diagnostics and to do remote management.

In recent months ecoATM has added a variety of techniques to fight theft like: requiring a driver’s license to recycle goods, making sure the recycler is 18 or over, taking a thumbprint from the recycler, storing the devices for 14 days as a precaution, using remote cameras to take photos of and monitor the recycler, and maintaining serial numbers of the devices to check against reported stolen goods.

Before Its News
Outerwall (Formerly Coinstar) Buys ecoATM For $350M In Cash To Expand Into Device Recycling Kiosks
July 2, 2013
Some changes underway in the automated retail space: Outerwall, operators of the Coinstar coin-counting kiosks and the Redbox disc and game distribution network, is acquiring ecoATM for $350 million in cash. EcoATM operates its own kiosk network focused on accepting used mobile phones, tablets and MP3 players for cash and has positioned itself, coincidentally, as the “Coinstar for used devices.”

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The move is a sign of consolidation in the self-service retail space, and also a mark of how Outerwall has much bigger ambitions beyond simply turning your multitudes of pennies into more useful dollar bills — hence, also, the rebranding.

It’s also a sign of how low-margin companies like these are looking for ways to ramp up into higher value items, while at the same time providing a much-needed service in our highly disposable economy. In the U.S. alone, ecoATM says 175 million new devices are sold each year, but in terms of older models, only 20% of used mobile phones are collected, and another 50% are either stored or simply thrown away.

“With ecoATM, Outerwall will advance its evolution into multiple automated retail businesses and increase our exposure to the growing demand for refurbished products and mobile devices across the globe,” said J. Scott Di Valerio, chief executive officer of Outerwall, in a statement. “As evidenced by our growing investment in ecoATM over the last four years, we are confident that ecoATM’s innovative, environmentally minded business model will continue to resonate with today’s technology savvy consumers.”
Outerwall, for its part, had already been extending well beyond coin machines and simply returning paper money in exchange for coin shrapnel.

In February 2013, the company (still called Coinstar at the time) kicked off a rollout with PayPal to let users credit their PayPal accounts with the change, as well as withdraw money from those accounts ATM-style and also transfer money to others.

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Lesser known are the Rubi coffee kiosks launched last year.

Retail Automate

Coinstar (now called Outerwall) to buy up gadget recycling kiosk startup ecoATM
July 2, 2013

Startup ecoATM, which sells recycling kiosks for gadgets and phones, is being bought up by one of its investors: kiosk giant Outerwall, formerly named Coinstar, the companies announced on Tuesday. Outerwall, which already owned 23 percent of ecoATM, said it plans to pay $350 million in cash for the remaining amount of the San Diego-based company, including paying off its debts. Just a few months ago ecoATM had raised $41 million in debt financing from private equity firm Falcon Investment Advisors.

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Xconomy

Outerwall, aka Coinstar, Pays $350 Million for San Diego’s EcoATM
July 2, 2013

Bellevue, WA-based Coinstar says today that it has agreed to pay $350 million in cash to acquire EcoATM, the San Diego cleantech startup that operates kiosks for recycling electronic mobile devices.
The automated retailer, which already was a major investor in EcoATM, with a 23 percent stake, also has changed its name Outerwall, along with its stock ticker (NASDAQ: OUTR). The buyer operates a network of coin cashing machines as well as kiosks for renting movies and video games.

In a statement today, Outerwall says the $350 million deal includes paying off certain indebtedness and transaction costs, subject to adjustment for working capital as of closing. In addition, Outerwall said it would deduct the value of its ownership stake in EcoATM from the deal. Once closed, though, Outerwall will own 100 percent of EcoATM, which will remain in San Diego.

Mark Bowles, an EcoATM co-founder, described how the startup was founded in a commentary for Xconomy in 2010. The startup began in 2008 with the idea of rewarding consumers to recycle their mobile phones by making it easy for them to get a “trade up” discount coupon, cash, gift card, or to make a charitable donation.

Today, EcoATM’s automated kiosks use advanced machine vision, electronic diagnostics and artificial intelligence to assess electronics. The company says it capitalizes on the growing U.S. mobile device market. While 175 million new devices are sold annually, only about 20 percent of used mobile phones get recycled. More than 50 percent are discarded or stored indefinitely, and the company has sought to broaden its market. In February, EcoATM raised $40 million in debt financing from Boston’s Falcon Investment Advisors to expand beyond its existing network of 300 kiosks in 20 states.

With the global demand for refurbished mobile phones accelerating, Outerwall CEO J. Scott Di Valerio said he anticipates growing demand for the kind of used mobile devices that EcoATM recycles. Outerwall said the deal would be accretive to its earnings in 2014, and would yield “a positive return on invested capital in the coming years.”

The transaction is expected to close by the end of September, subject to the receipt of regulatory approvals and other customary closing conditions.

VentureBeat
Coinstar rebrands as Outerwall, acquires phone recycling startup ecoATM for $350M
July 2, 2013
There are some crazy vending machines out there that sell canned bread, fishing tackle, and even underwear. Today, Outerwall announced it will acquire ecoATM to expand its network of vending machines that are far more practical.

ecoATM makes automated self-serve kiosk systems for recycling mobile devices like phones, tablets, and MP3 players. Using a patented combination of artificial intelligence, advanced machine vision, robotics, and electronics diagnostics technology, the machines scan your phone for damage, compare it to prices in secondary markets, and then make you an offer for cash or store credit. There are currently around 400 ecoATMs in 24 states.

The acquisition by Outerwall will help ecoATM scale and accelerate its national roll out.

Outerwall — formerly known as Coinstar — invested in two of ecoATM’s funding rounds. EcoATM raised a total of $31.4 million in venture capital, and Outerwall currently holds a 23 percent ownership stake. Outerwall has been around for 20 years and powers well-known kiosk systems like Coinstar money
exchange, Redbox entertainment, and Rubi coffee kiosks. This acquisition will fuel Outerwall as it enters new areas of business, starting with recycled electronics.

The market for recycled devices is growing quickly as mobile penetration increases in emerging markets and people want high-quality devices at lower costs. Furthermore e-waste is a mounting problem. The EPA found that more than 135 million mobile devices are trashed every year in the United States and only 11-12 percent of those are collected for recycling. This results in 17,200 tons of e-waste, and that’s just from mobile devices. Add in computers, monitors, keyboards, televisions, etc., and that number skyrockets. Electronic waste is harmful to both human and environmental health.

In response to this alarming environmental threat, there is a growing demand for innovative solutions to mitigate the problem. ABI Research forecasts that the worldwide market for e-waste recovery will hit nearly $14.7 billion by the end of 2014. Manufacturers are setting up buy-back programs.

Outerwall gets the dual benefit of entering the lucrative and growing vertical of electronics, while also promoting sustainable environmental practices. Outerwall CFO Galen C. Smith said in a statement that Outerwall expects ecoATM to yield a positive return on invested capital in the coming years.

EcoATM was founded in 2008 and launched at DEMO in 2011. The company will stay headquartered in San Diego, Calif. Outerwall is a public company based in Bellevue, Wash.

**GeekWire**

Redbox parent Outerwall buying ecoATM kiosk company for $350M

July 2, 2013

Outerwall, the Bellevue-based company formerly known as Coinstar, is buying ecoATM, a San Diego company that makes automated kiosks for buying used phones and other electronics, for $350 million in cash.

The deal, announced this morning, adds to Outerwall’s portfolio of kiosks that includes Redbox movie rentals, Coinstar coin-counting machines and Rubi coffee kiosks.

Outerwall already owns 23 percent of ecoATM, and the company says consideration for that stake will be deducted from the cash payment.

Outerwall is betting on the growth potential of the market for used device trade-ins. Here’s how the company describes the growth potential of ecoATM in the news release announcing the deal.

ecoATM is the first company to create an automated self-serve kiosk system to purchase used mobile phones, tablets and MP3 players for cash. The kiosks use patented, advanced machine vision, electronic diagnostics and artificial intelligence to evaluate electronics. ecoATM’s eCycling stations provide a convenient trade-in solution that connects consumers real-time to broad worldwide secondary markets for the best possible pricing.

ecoATM capitalizes on the growing U.S. mobile device market where 175 million new devices are sold annually. Today, only 20% of used mobile phones are collected, with more than 50% being discarded or stored, representing a significant market opportunity. In addition, the demand for refurbished mobile phones continues to accelerate, due largely to growth in emerging markets.

The deal, which requires regulatory approval, is scheduled to close in the third quarter.
The Wall Street Journal  
Outerwall Inc. to Acquire ecoATM  
July 2, 2013  
BELLEVUE, Wash., July 2, 2013 /PRNewswire/ -- Outerwall Inc. (Nasdaq: OUTR), formerly Coinstar, Inc., a leader in automated retail, today announced that the company has entered into a definitive agreement to acquire ecoATM for $350 million in cash, which includes payoff of certain indebtedness and certain transaction costs, subject to adjustment for working capital as of closing. In addition, because Outerwall currently holds a 23% ownership stake in ecoATM, consideration for this stake will be deducted from actual cash paid. Upon closing the transaction, Outerwall will own 100% of ecoATM.

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"With ecoATM, Outerwall will advance its evolution into multiple automated retail businesses and increase our exposure to the growing demand for refurbished products and mobile devices across the globe," said J. Scott Di Valerio, chief executive officer of Outerwall. "As evidenced by our growing investment in ecoATM over the last four years, we are confident that ecoATM's innovative, environmentally minded business model will continue to resonate with today's technology savvy consumers."

"We expect ecoATM to be accretive to Outerwall's EPS in 2014 and to yield a positive return on invested capital in the coming years," said Galen C. Smith, chief financial officer of Outerwall. "In addition, we remain committed to our previously announced target of at least $100 million in annual share repurchase, and will continue to return value to our shareholders in a holistic way."

"Outerwall is a great home for ecoATM, and we are excited to build upon our successful relationship to take the business to the next level," said Tom Tullie, chief executive officer of ecoATM. "We look forward to benefitting from Outerwall's resources and expertise to accelerate ecoATM's rollout and bring our innovative solutions to consumers nationwide once the transaction closes."

ecoATM will remain headquartered in San Diego, California.

The transaction is expected to close in the third quarter of 2013, subject to the receipt of regulatory approvals and other customary closing conditions.

Morgan Stanley & Co. LLC is serving as Outerwall's financial advisor, and Perkins Coie LLP is serving as Outerwall's legal counsel. Capstone Partners LLC is serving as ecoATM's financial advisor, and DLA Piper is serving as ecoATM's legal counsel.
About Outerwall Inc.
Outerwall (Nasdaq: OUTR) has more than 20 years of experience creating some of the most profitable spaces for their retail partners. The company mission is to create a better every day by delivering breakthrough kiosk experiences that delight consumers and generate revenue for retailers. As the company that brought consumers Redbox(R) entertainment, Coinstar(R) money services and Rubi(TM) coffee kiosks, Outerwall is leading the next generation of automated retail and paving the way for inventive, scalable businesses. Outerwall kiosks are in neighborhood grocery stores, drug stores, mass merchants and other retail locations in the United States, Canada, Puerto Rico, the United Kingdom, and Ireland. Learn more at www.outerwall.com.

Certain statements in this press release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "expect" and "will" and variations of such words, and future-looking and similar expressions identify forward-looking statements, but their absence does not mean that the statement is not forward-looking. Forward-looking statements are not guarantees of future events, results, performance, or conditions. The forward-looking statements in this report, including those relating to the timing and closing of the acquisition (if at all), the effects of the acquisition on Outerwall (including on EPS), share repurchases, payments (including adjustments) and performance relating to the acquisition and the ecoATM business, and governmental approval, are only predictions based on the current intent and expectations of the management of Outerwall, and actual events, results, performance, and conditions may be materially different from those expressed or implied in those statements. Differences may result from actions taken by Outerwall, as well as from risks and uncertainties beyond Outerwall's control, including those of and relating to ecoATM and its business. Such risks and uncertainties include, but are not limited to, actions resulting from federal, state, local and other laws and regulations or taken by governing bodies, as well as the ability to obtain the required consents and approvals (including antitrust approvals) from appropriate governmental entities and other third parties relating to certain contracts in connection with the acquisition, securityholders, and other potential third-party acquirers. The foregoing list of risks and uncertainties is illustrative, but by no means exhaustive. For more information on factors that may affect Outerwall, please review "Risk Factors" described in Outerwall's most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission (the "SEC"), as well as other public filings with the SEC. These forward-looking statements reflect Outerwall's expectations as of the date of this report. Outerwall undertakes no obligation to update the information provided herein.

The Motley Fool
Outerwall, Formerly Coinstar, Buying All of ecoATM
July 2, 2013
Outerwall (NASDAQ: OUTR), formerly Coinstar, began trading under its new ticker symbol today, with Outerwall's management team ringing the morning bell on Nasdaq. The company also announced an acquisition of a company that created automated self-serve kiosk system to purchase used mobile phones, tablets and MP3 players for cash.

In a press release, Outerwall explained the name change, saying that over time, it has evolved from being just the Coinstar business, to becoming "an umbrella corporate brand that encompasses the company's current operations and provides a platform for future automated retail opportunities." Outerwall is also a term that can refer to the fact that most of the company's coin counting and movie kiosks are located on what it refers to as a store's fourth wall, which is typically at the front of the store and underutilized by many retailers.
Outerwall also announced today that it has bought 100% control of automated cell phone, tablet, and MP3 player recycler ecoATM, which sets up kiosks where people trade their used devices in for cash. Outerwall values the transaction at $350 million, but because it already owned 23% of the company, its actual cost is closer to $270 million.

The company says 175 million new mobile devices are sold annually in the United States and that only 20% of used mobile phones are collected, with more than 50% being discarded or stored, "representing a significant market opportunity."

Outerwall CFO Galen C. Smith said he expects ecoATM "to be accretive to Outerwall's EPS in 2014 and to yield a positive return on invested capital in the coming years." The transaction is expected to close in the third quarter.

The Gazette (San Jose Mercury News, AZ Central, Telegram.com)
Outerwall to buy ecoATM for about $350M in cash
July 2, 2013
BELLEVUE, Wash. (AP) — Outerwall Inc., formerly known as Coinstar Inc., said Tuesday that it has agreed to buy ecoATM, the creator of an automated self-serve kiosk system used to buy used mobile phones, tablets and MP3 players for cash.

Outerwall already operates a variety of automated retail business including Coinstar coin-counting machines and Redbox DVD rental machines.

The Bellevue, Wash.-based buyer valued the deal at about $350 million in cash including the payoff of certain debt and transaction costs. Outerwall also said that because it currently holds a 23 percent stake in ecoATM, consideration for that stake will be deducted from the actual cash paid. When the deal closes, Outerwall will own all of ecoATM.

The kiosks that ecoATM created use electronic diagnostics to evaluate the items and connect consumers with worldwide secondary markets for the best possible pricing.

Outerwall said ecoATM capitalizes on the growing U.S. mobile device market. It estimated that only 20 percent of used mobile phones are currently collected, with more than 50 percent being discarded or stored, representing a significant opportunity for growth.

Meanwhile, demand for used mobile phones continues to accelerate, mainly as a result of growth in emerging markets.

Outerwall said it expects ecoATM to boost its profits starting in 2014. The deal is expected to close in the third quarter of 2013. The ecoATM business will remain based in San Diego, Calif.

Also on Tuesday, Outerwall shares began trading under their new ticker "OUTR." The new ticker stemmed from the company's name change, which was approved by shareholders last week. The stock previously traded under the ticker "CSTR."

Outerwall CEO J. Scott Di Valerio rang the opening bell at the Nasdaq stock market to celebrate the first day of trading.
In morning trading, Outerwall shares fell 30 cents to $60. The stock has traded in a 52-week range of $40.50 to $71.82.

Seattle Times
Outerwall buys mobile-device recycling kiosk firm for $350M
July 2, 2013
Outerwall, the Bellevue company formerly known as Coinstar, said Tuesday it has agreed to buy ecoATM, the creator of an automated self-serve kiosk system used to buy used mobile phones, tablets and MP3 players for cash.

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The ecoATM business will remain based in San Diego, Calif.

Also Tuesday, Outerwall shares started trading under their new ticker “OUTR.” The ticker stemmed from the company’s name change, which was shareholders approved last week. The stock previously traded under the ticker “CSTR.”

Outerwall CEO J. Scott Di Valerio rang the opening bell at the Nasdaq stock market to celebrate the first day of trading under the new ticker. The stock closed up 99 cents, or 1.6 percent, at $61.29. The shares have traded in a 52-week range of $40.50 to $71.82.

Reuters PE HUB
Acquisition of ecoATM Demonstrates Growing Strength of Corporate Venture Capital
July 2, 2013
The acquisition today of ecoATM by Outerwall (Nasdaq: OUTR) — formerly Coinstar Inc. — coupled with Duke Energy’s participation last month in a $42 million venture funding round for Clean Power Finance — helps demonstrate that corporate venture capital funding is alive and well.
These transactions offset the negativity that has developed about cleantech investing in recent years.

Corporate venture capital investing has focused particularly strongly on cleantech startups as the sector stages a significant rebound. In 2012, more than 20 percent of energy venture investments involved a corporate partner, compared to 15 percent across all venture investments.

Transportation and energy companies such as General Motors, BMW and Shell have been among 182 companies creating or re-launching venture capital units in the last three years, bringing the total number of U.S. corporate venture arms to a robust 900. They invested $2.2 billion in 2012 and in 2011, an increase from $1.9 billion in 2010 and $1.3 billion in 2009, according to the National Venture Capital Association.

Coinstar had previously invested in two venture capital rounds in ecoATM alongside Claremont Creek Ventures, where I am a managing director. (Claremont is also a venture backer of Clean Power Finance.) Additionally Duke Energy, the largest U.S. electric utility holding company, recently invested in Clean Power with existing corporate investor Edison International and two other utility holding companies. This capital helped Clean Power Finance develop its online financing service for residential solar systems.

The newfound prevalence of corporate venture capital investment in clean technology has been especially obvious at Claremont Creek, where eight of the past 10 energy tech investments have included a corporate partner in the financing syndicate.

Corporations embrace startup investments because they offer a chance to be a major player in new or expanded markets, while startups often welcome corporation investments as a validation of their technology and for access to enhanced marketing and channel relationships.

Sometimes, a corporate venture capital investment leads to an outright acquisition, which, of course, has occurred in the case of Outerwall and ecoATM and looks to be a particularly strong win-win proposition.

Outerwall had its eye on ecoATM because its kiosks represent a hot new market. Outerwall is a purveyor of 64,000 coin-counting and Redbox movie and video game rental kiosks. It has now substantially enlarged its expansive repertoire of kiosks with ecoATM kiosks that quickly evaluate and buy back consumer electronics directly from consumers.

As people continue to buy unprecedented numbers of new smart phones, tablets and MP3 players, they will increasingly gravitate to the convenience of selling their used gear to a growing network of highly sophisticated kiosks designed to complete the cash transactions within minutes. EcoATM recently announced the aggregate purchase and recycling of 1 million smart phones and the like, about double the number a year ago.

As ecoATM starts a new chapter in its life under the direction of Outerwall, the company is still very much in a nascent stage. EcoATM is installing two new kiosks a day. By the end of this year, it will have 900 of them in 24 states. It has been making plans for international expansion and to improve its technology. EcoATM makes its money by selling the recycled electronics to refurbishers, who resell them mainly to insurance and warranty companies. Success that we are seeing with ecoATM and Clean
Power Finance bodes well for the ongoing growth of corporate venture capital investment in cleantech startups of various types.

**Technology Guide**

**Coinstar Acquires ecoATM, Moving into Gadget Recycling Kiosk Biz**

**July 2, 2013**

A Coinstar for old gadgets? Perhaps, as Outerwall, the company formerly known as Coinstar, has announced its plans to acquire ecoATM and its gadget-recycling kiosks for $350 million. ecoATM, named 2012’s best clean tech startup by TechCrunch, maintains self-service kiosks that accept, recycle, and pay for used tech devices, such as smartphones, mp3 players, tablets, and more.

Outerwall held a 23% stake in ecoATM, which will be subtracted from the buyout to compensate for the $40 million in debt ecoATM has accrued. Outerwall also owns Redbox, the popular self-service DVD and Blu-ray rental kiosk.

**Fox 40**

**Police: Phone Recycling Kiosk Helped Catch Thief**

**June 27, 2013**

CITRUS HEIGHTS- Your cellphone is your lifeline, your digital boyfriend and these days, a criminal’s source for quick cash. But technology is fighting back. Roseville Police say 35-year-old John Carter of Sacramento stole two cellphones from a softball complex and tried to cash in by selling them at an EcoATM kiosk at the Sunrise Mall.

“They’re going to a kiosk, an unattended kiosk because they think that gives them a little bit more anonymity,” said Det. Sgt. Darin DeFreece of Roseville Police, he says that’s not always the case. “It takes their picture, their thumb print, their identification. They think they have some anonymous way of selling the cell phone and that’s really not the case.”

EcoATM scans your old phone and makes you an offer, but while the machine is trying to differentiate Droid from iPhone, it’s also scanning you.

“We’ve actually got multiple cameras on the machine that are taking photographs of the person who’s standing in front of it,” Ryan Kuder from EcoATM told FOX40 via telephone. EcoATM says it’s even better than a pawn shop employee trying to sniff out a bogus sale. “It’s a robot. It does it the same way every time, it can’t be bribed, it can’t be convinced otherwise.”

That combined with GPS technology, stolen phones can get returned and investigators are given a handy print out on the crook, complete with name and address. Carter was arrested on charges of grand theft.

**Bambu Batu**

**Cash for Trash: ecoATM**

**June 16, 2013**

Living in an age of rapidly developing technology and planned obsolescence, most of us can admit to still hanging on to a random assortment of old or broken electronics. Finding a place to recycle e-waste can be a bit of a hassle during a busy workweek, and attempting to regain a little of the money spent for our phones, tablets, and music players can lead to obsessively checking your email after posting twenty different Craigslist ads.
Sitting in the Santa Maria Town Center is a novel new machine that can give you cash for your old gadgets in a matter of minutes. The ecoATM allows you to scan your gear, check its global market value, and safely deposit your mobile device. To ensure that the items are not lost or stolen, a valid ID and thumbprint scan is required for each transaction. All deposits are monitored by staff through two cameras, the serial number is extracted and stored, and all devices are held for 30 days before being sold for extra security.

Since its debut in 2011, the company estimates that only 1 out of every 4,000 units have been reported lost or stolen. Most people walk away with at least $25, but some can earn up to $300 for a smartphone in good condition. No personal information is ever taken from the gadgets, and all are either sold to a third party to be repurposed or recycled in facilities that are certified by R2 Solutions or e-stewards.

The inventor of the ecoATM, Mark Bowles was inspired to create his clean kiosk after observing the success of the Coinstar change machines. Seeing as the US trashes over 384 million units of e-waste each year, he knew that selling defunct electronics to refurbishers could mean big business. ABI research sees the market for electronic waste at $15 billion by the end of 2014. About 350 ecoATMs have been placed in 24 states, and Bowles has plans to expand to international markets as well as working on technology to also accept computers.

Now there is no excuse not to grab your gear and do a little e-cycling for some extra cash and an environmentally friendly way to dispose of your unwanted electronics.

KCRG
**ecoATM's Turn Electronic Trash into Cash**

**June 15, 2013**
CORALVILLE, Iowa - Have an old cell phone, mp3 player, or tablet just sitting around? You could toss it, or if you need some fast cash, sell it at an ecoATM.

Developers said they created the machines in 2009 to cut down the fastest growing segment of our waste stream-- electronic. "Our vision is to change that. It's to dramatically increase recycling rates and to forever alter the wasteful lifecycle of consumer electronics," said company CEO Tom Tullie.

Sixty-percent of the devices the group purchases are reused, 40% are recycled.

There are more than 550 ecoATM’s in 38 states. Two of them near Cedar Rapids, one at Lindale Mall, the other at Coral Ridge Mall, in Coralville.

To make a sale, customers follow a simple process. Devices are placed in the machine, and then analyzed. The ecoATM checks for quality and demand world-wide, and offers a price. If customers choose to sell, money is dispensed instantly, to spend on whatever.

"Probably stuff for her," said Zach Dlohy, looking at his girlfriend.

They're a slick way to fill your wallet. But nationally there's been some concern that the machines encourage cell phone theft. National press has found instances where stolen phones have been tracked to the innards of the machines. Washington D.C. law enforcement has reported 200 cases alone.
"We’re committed to building a business that is both, socially responsible and law enforcement friendly," said ecoATM Director of Compliance Drew Spaventa.

Developers dispute the D.C. numbers. In a statement to KCRG they said their research shows far less than 200. They said only about 5 lost or stolen phones are reported for every 10,000 taken in.

Locally, numbers are even better. "I have yet to find a stolen cell phone, or electronic device turned in at our ecoATM," said Lt. Shane Kron, with the Coralville Police Department.

Lt. Kron said Coralville has had their unit since March. He said criminals would have a hard time beating the ATM's security. All sellers have driver's licenses scanned and a photo taken at the machine. If the images can't be matched by a technician, the sale doesn't go through. Also, police get a list of sellers' ID's and serial numbers so they can catch any stolen devices and the person who sold them.

"I really think these companies use their reporting practices as a deterrent. Best Buy, ecoATM, they have no interest in taking stolen property," said Lt. Kron.

But they do have an interest in expansion. Machines have continued to sprout since the company started four years ago. Four to 5 new units are installed each day. It's a green idea that's really taking root.

**York Blog**

**Be aware: Someone might want to steal your cellphone**

**June 14, 2013**

As a part of Generation Y, I often hear that people my age are too addicted to their cellphones. “Twenty-somethings text too much, rely too heavily on Google Maps and don’t pay attention to the world around them.”

Usually my response is “If the technology is there, we will use it.” But, I get it — having such a close relationship with a smartphone can be dangerous. For example, there is always that girl that texts her way into a mall fountain.

But, texting and talking habits might be more dangerous than just walking into an embarrassing situation. Having a smartphone visible in a public place might make you a target for theft. Today reported that EcoATMs, an ATM that lets users trade phones for money, encourage people to steal phones and cash them in, without anyone knowing.

The problem is that the EcoATM security checks (scanning an ID) are a little weak. And, it’s possible that someone other than the owner can cash in the phone.

Sean Conway Detective with the West Manchester Police Department said he has not seen an increase in cellphone theft. Locally, most cellphone thefts are because a phone was left visible inside of a car. “Nine times out of 10, it’s because the car is unlocked,” Conway said.

There are 17 EcoATM locations within 50 miles of York, Pa. Their site claims “EcoATM pays more money for more types of phones than anyone else!”

**Watertown Daily Times**
ecoATM offers environmentally friendly way to dispose of electronics for $0
June 14, 2013
MASSENA - It’s safe to say most people have at least one or two old cell phones laying around their homes. Now thanks to ecoATM, patrons of St. Lawrence Centre can turn those old phones into cash.

In addition to accepting cell phones, St. Lawrence Centre Marketing Director Ronald J. Patnode said the machine will also accept mp3 players and even some tablets.

“It’s a great way to dispose of these devices. It’s environmentally friendly, and you get cash,” Mr. Patnode said. “We all have old electronics laying around, especially cell phones.”

The machine will provide users with up to $250 for their unwanted device. Although cash is not paid for all models, all models are ultimately accepted for disposal, free of charge.

While this may sound like a thief’s dream come true, Mr. Patnode said that’s not the case, noting users are required to provide a driver’s license and thumb print prior to the processing of any transaction. Mr. Patnode said he’s excited to see the public’s reception to the machine, which is the first one in Northern New York.

According to the company’s website, the closest ecoATM is located in Burlington, Vt. The machine is located adjacent to the food court near Belden’s Jewelers, Sherry & Fred’s Newstand and the St. Lawrence Centre Arena.

Major Geeks
EcoATM: Turning Old Phones Into Cash, Instantly
June 13, 2013
The only thing I love more than money is fast money. Well, that and bacon, but they haven’t made a bacon kiosk yet so...

Where do all the old phones go? If you’re like me, you have a drawer full of them. Besides handing one of these relics to a three year old to play with, what else are they good for? Well, these ancient devices of the 90s have are worth something, or so I’ve been told. The only thing is, who would pay anything for these pieces of pixilated crap?

Hello, EcoATM. Hello, cash. Yep, you guessed it. The EcoATM wants your old phone. It even pays you for it. Put your phone in, cash comes out. The average transaction pays out about $25, while a good phone might get you $300. That’s a decent chunk of change!

This machine is able to identify thousands of types of phones, tablets, and mp3 devices. As of right now, there are 350 kiosks in 24 states. The company has plans for international expansion as well as technology that would allow them to accept larger extinct technology like old computers and your mom.

The EcoATM is a kiosk that accepts old phones and other devices and dispenses cash on the spot!

A concern this type of kiosk trade off brings to mind is the protection of your personal information. Well, don’t you worry, EcoATM encrypts all data as to avoid fraud and each transaction is remotely monitored by an employee. In addition, there are a set a high-res cameras watching your every move and counting each enlarged pore on your face. Oh, and a thumbprint and valid ID are required to ensure people aren’t
jacking your iPhones and selling them on the street. If there weren’t enough precautions, EcoATM is also required to sit on every device for thirty days, just to be safe (and serial numbers are recoded when possible, so take that). Thanks to these efforts, only one in every 4,000 collected by ecoATMs have been reported lost or stolen.

I don’t even know what it’s called, but the EcoATM does! Photo: Unknown.

So, the question remains, where do all the old phones go? Three quarters of them end up being refurbished and given a new life, while the rest are recycled at facilities that meet industry standards. And now you know.

Look at this piece of crap, what do you see? The EcoATM sees cash. Mhmm. So go recycle and make some cash, you can’t beat that, unless you have bacon. Nothing beats bacon.

Inhabitat
The ecoATM Lets You Recycle Your Electronics for Cash on the Spot
June 12, 2013
Taking stock of your belongings, you will undoubtedly come across a hodge-podge of old or broken electronics that need to be recycled. Determining where or how to safely dispose of devices can take a substantial amount of research, and attempting to recover any sort of monetary investment can take weeks of maintaining a Craigslist ad. The ecoATM offers a quick and simple way to get some cash back for your defunct gadgets. Nominated for a 2013 Index Design Award, the kiosk can connect to your mobile device, search for the highest price on the global market, and compensate you if you agree to sell it. The ecoATM was recently nominated as a finalist for the world’s biggest design prize – the 2013 Index: Award.

KARE 11
Edina man warns of brazen cell phone thieves
June 12, 2013
ST. LOUIS PARK, Minn. - Paul Hartwig thought he would do some work on his computer at Caribou Coffee on Cedar Lake Road when plans changed quite dramatically two weeks ago.

"The guy was tearing my phone, my iPad, my laptop, everything off the table," said Hartwig.

That guy stole Paul’s iPhone right from his hand in the middle of broad daylight.

"I was actually really mad this guy had the stones to do it," he said.

When he reported the crime to St. Louis Park police, he says the detective told him there is a growing concern about an easy way to get cash from used cell phones.

"And they put them in these kiosks and it spits out money," he said.

Those kiosks are called ecoATMs and a number of them have popped up in malls throughout the metro. It’s a machine that will recycle your phone and give you cash on the spot. St. Louis Park Police would not comment about the investigation, but police throughout the country have expressed concern.
At this point, there is no evidence that Hartwig's phone has found its way into an ecoATM, and the San Diego-based company believes it would be the best place for it to end up because of the many safeguards the company says it sets up.

"We work hard to make sure that ecoATM is the worst place for a thief to sell a stolen phone," said Brad Kuder, ecoATM spokesperson.

The kiosk scans a person's I-D, snaps a picture of the customer and takes a fingerprint. And he claims so far, there have been few problems in Minnesota.

"We've recycled over 30,000 phones at local ecoATM kiosks. To our knowledge, there have been only a few incidents of stolen phones being discovered in ecoATMs and in all those cases, we've been able to return the phones to their rightful owners and assist the police in their investigations," said Kuder.

Meanwhile, Hartwig is now using a replacement phone and has no idea where his stolen phone is located. But he has advice for cell phone users, be aware when you're using your phone.

"I say, keep it in your pocket," he said. "Even if you're on your phone they'll grab it."

The Chattanoogan
Kiosks That Buy Back Used Electronic Items Now At Northgate, Bradley Square Mall
June 7, 2013
ecoATM, kiosks that buy back used consumer electronics, have arrived in Chattanooga. There are now nine ecoATMs in Tennessee, including the following in Chattanooga and nearby area, including Northgate Mall and Bradley Square Mall.

Officials said, "Locals now have a convenient way to recycle their electronic clutter and incentive to clean out their junk drawers. ecoATM pays immediate cash to users looking to responsibly dispose of cell phones, MP3 players and tablets and make some not-so-hard-earned cash in the process. To date, ecoATM has more than 430 kiosks nationally with plans to continue expansion across the United States."

“New phones purchased in the U.S. alone each year would fill a freight train 20 miles long,” said Tom Tullie, chairman and CEO of ecoATM. “There are hundreds of millions of old phones out there that generally end up in landfills. Our goal is to be five miles from 90 percent of the population in order to make e-recycling as convenient as possible and we are thrilled that Tennessee now has access to our solution.”

Since being founded in 2008, ecoATM has paid out millions of dollars to hundreds of thousands of customers. The kiosks accept devices including tablets, cell phones and MP3 players in any condition; often, in conditions that other electronic recyclers will not take. ecoATMs are in 29 states across the country and pay between $1 and $300 per phone.

When depositing a device into an ecoATM kiosk, the device is plugged in and scanned for type, serial number and condition. To deter the sale of stolen phones, the seller must show a valid I.D. and provide a thumbprint and a signature agreeing that the phone is his or her property. Cameras, monitored by live attendees at the ecoATM headquarters match the seller to their I.D. before cash is dispensed. All transactions and personal information are reported to local police, making ecoATM kiosks the worst place for the sale of a stolen electronic device and the best place for a stolen phone to end up.
ecoATM finds a second life for 60 percent of the devices it collects and responsibly recycles the rest. Through this, ecoATM has saved landfills from hundreds of thousands of potentially toxic devices, it was stated.

The annual environmental impact of a single ecoATM kiosk can be measured by:

- 25,681 tons of toxic mining waste averted
- 4,309 kilos of Greenhouse Gases saved
- 426 gallons of oil saved
- 212 brick-size units of hazardous waste averted from landfills
- 21 houses removed from the grid
- 3 cars removed from the road

ecoATM is an R2 certified ewaste recycler and is ISO14001 compliant.

Bamboo Mobile

Device Trade In News from ecoATM, Gazelle and Apple Hits the National Media

June 7, 2013

Several stories in the growing reuse and recycling market made national news this week and for good reason. Firstly, the news reports around ecoATM and how the placement of their automated buy back kiosks across cities is increasing smart phone theft is one story they made it all the way to the Today Show (though by the questionable reporting via Rossen Reports).

In many ways, this is a "darned if you do darned if you don’t" scenario where an industry (or a particular company) is ridiculed for not addressing the need for more convenient, effective and responsible mobile phone recycling and then, when a convenient option is provided, the company (and industry to some extent) is accused of enticing criminals to steal valuable mobile devices.

Don’t get me wrong. I know major cities in the US are struggling to deal with crime involving mobile devices. Government officials plan to call on device makers and others in the industry to address the problem. A recent study claims that stolen phones cost US consumers $30 billion last year. In addition, carriers have agreed to share key information (IMEI) about the devices with each other to ensure that phones are deactivated more quickly (this is supposed to be implemented this year). However, often stolen phones—which are just tiny computers-- end up on the black market and sold internationally. It is no wonder then that in a city like Washington DC, 40% of all forced robberies last year involved a mobile phone, which is the highest in the US. However, is Jeff Rossen really correct in singling ecoATM out as the sole culprit here? Are criminals more motivated to use an automated kiosk where their photo is taken and figure print is captured?

Surprisingly, according to many articles citing police reports recently, the answer is yes. In fact, when police officials found 6 stolen phones in ecoATM kiosk, concerns were heightened to the extent that one ecoATM machine was shut down (evidently for not having the proper merchant license). One report cited a spokesperson for the D.C. Police saying, “This is a huge problem. The opportunity for quick cash is driving robberies of smartphones.” An ecoATM spokesperson says that stolen phones are only one tenth of 1% of the phones the company collects. Nonetheless, the company has spent months dealing with this finger pointing.

(Note: ecoATM has offered a rebuttal to the Rossen Reports story in which he failed to include details around how ecoATM has partnered with the police. And, the mugging shown in the segment was not
associated with ecoATM at all. To read the entire rebuttal by ecoATM founder and CMO, Mark Bowles, click here. )

Tighter regulations around program requirements may be in order to deter thieves from hocking stolen phones via these programs but ecoATM is not the only company out there offering cash for mobile devices. And, as it stands today, many of the companies are offering great deals to buy back used phones. In fact, the same week that ecoATM was being thrown under the bus, Gazelle, the online recommerce vendor, reported that it has paid out $100 million to customers who sold back devices to them. Bamboo Mobile (via the Idle Device Market Report published in January) estimated that in 2012, about $876 million was paid out via trade-in and buy back programs in the entire industry. We believe that by 2015, that number will more than triple to $3 billion as more smart phones and tablets are bought back.

Finally, the other big story this week were reports that Apple will launch an in-store iPhone trade in program with Brightstar. Neither company commented on the reports, however. Apple does have an online program (it uses recycling vendor PowerON) where a customer can sell back an Apple-based product in exchange for an Apple Store gift card. Recently, Bamboo Mobile examined Apple's program for our Online Trade In Ratings and Assessment report. We found the program had few customer requirements (little customer info is collected) and was rated average due to how the program includes buying back only Apple products. Yet, the new in-store program is designed to be more convenient for shoppers coming in to the store but, again, is said to be limited to only iPhones. Nonetheless, the question remains whether this move by the Cupertino-based giant will increase the visibility of device trade-in programs in general? It just might since it made the national news blitz this morning. But at the same time, will the likes of Jeff Rossen be suspicious of Apple's trade-in program and do a consumer report stating that its program is promoting “Apple picking?” I kind of doubt it.

The Baltimore Sun
Council members seek ban on cellphone ‘reverse vending machines’
June 5, 2013
Faced with a rash of reported mobile device thefts, local lawmakers want to ban the automated purchasing kiosks that have cropped up at area shopping centers and allow customers to instantly resell phones, tablets and music players.

The proposals have drawn criticism from ecoATM, one of the largest players in the emerging industry, which says its devices — sometimes called "reverse vending machines" — are being unfairly blamed for a theft problem that is much larger than its business.

Baltimore City Councilman Bill Henry this week introduced the ban, and he and other council members say police officers have told them the kiosks are driving device theft. The police chief in Washington has been a vocal opponent of the machines, and city legislators say they are urging counterparts across the state to follow suit.

Ryan Kuder, director of marketing for San Diego-based ecoATM, said that stolen phones represent less than one-tenth of 1 percent of the company's business. He said ecoATM helps police track customers who resold stolen phones. The machines are monitored by security cameras and require sellers to submit a driver's license and thumbprint.
Kuder noted that the company marked a milestone this week — the purchase of 1 million phones — and he insisted: "When we collect a stolen phone, we return it."

"Stolen phones have been a big black hole [for law enforcement]," Kuder said. "They get stolen, they get sold, and nobody knows where they go."

Police in the area say device thefts have indeed been a problem, and transit police this spring made a public awareness push to prevent mobile device theft after some brazen thefts of devices from passengers.

"We do have a high number of cellphone robberies," city police spokesman Anthony Guglielmi said.

But Guglielmi said the idea that they end up being sold at ecoATMs may only be a hunch. Police in the city and county have only linked one theft to the kiosks. In that case, according to a Baltimore County spokeswoman, the stolen phone sold at a county ecoATM kiosk was recovered by police in cooperation with the company.

Guglielmi said ecoATM officials last week approached Police Commissioner Anthony Batts, who criticized such kiosks after a conversation with D.C. Police Chief Cathy Lanier. Company officials said they would sit down with police to explain how their company works.

There are no ecoATMs in the city and eight around the Baltimore beltway. One at Mondawmin Mall was shut down after drawing crowds that overwhelmed the shopping center’s staff.

Still, council members say police officers in their districts have been telling them that the kiosks are problematic.

"Unfortunately, along comes a technological advancement that allows people to sell MP3s and stolen phones without any human interaction whatsoever," Henry told council colleagues when he introduced the bill.

Councilwoman Mary Pat Clarke said police told her that thieves are stealing from city residents and turning cellphones and devices in for cash at county malls.

"These kiosks have upped the crime rate in Baltimore City, because if you steal a cellphone you just go out to a mall in the county and you get cash," Clarke said. "You get cash from this machine for putting in the cellphones that you stole. It's increasing the car break-ins and the thefts of cell phones."

Council President Bernard C. "Jack" Young said he believed the kiosks were increasing the incentive for thefts from school children, as well.

"This is a big problem around our schools. A lot of our school children are being robbed of their cell phones," he said.

Ryan O'Doherty, a spokesman for Mayor Stephanie Rawlings-Blake, said the mayor "appreciates councilman Henry's concern," and wants to hear from Batts on the issue.
Drew Spaventa, another company official, said many cities work closely with ecoATM but others have a "knee-jerk reaction that has to do with the people who hear there's stolen phones, and a kiosk that buys them back."

Then, he said, the perception that ecoATM is to blame "takes on a life of its own."

Kuder acknowledged that some phones may be sold that haven't been reported stolen, but said "we can't find a stolen phone that nobody reports to us." Still, he said, even without a serial number, ecoATM allows police to look through its transactions for types of phones sold during specific periods of time.

"We can help find a list of suspects," Kuder said. "The fact of the matter is, we generate data on a scale that nobody else generates."

Henry said he was partnering with lawmakers in Baltimore County to have the devices banned there as well. County Councilman David Marks said he plans to meet with Chief James W. Johnson on the issue. Henry said he's hoping Anne Arundel County will follow suit.

In Anne Arundel, County Council Chairman Jerry Walker said he hadn't heard of the issue before. He wasn't aware of any of his colleagues working on legislation related to the kiosks.

Baltimore City Councilwoman Rochelle "Rikki" Spector said she would take the matter to the Maryland Association of Counties to try convince other local governments to ban the kiosks. "This unfortunately has legs and spreads. I'd like to see all the counties around do the same thing," she said.

Henry said one kiosk at Mondawmin Mall was removed after Baltimore police raised concerns about thefts.

"According to police, when it was operating, there was a line out the door of people trying to sell used cellphones to this machine for cash in hand," Henry said. "While the Mondawmin Mall management was willing to voluntarily remove the machine at the request of the police, there remain several of these machines in operation at malls around the edge of our city in Baltimore and Anne Arundel counties."

A spokesman for Mondawmin Mall, Greg Harris, said the mall sought to have the ecoATM kiosk removed after a few weeks in November because it attracted large crowds that were "difficult to manage," He said he had no information about the sales being traced to thefts.

"It became a challenge to handle the crowds using the kiosk," Harris said.

Kuder, of ecoATM, said the large number of people in line isn't evidence they were seeking to sell stolen phones.

"You're looking at the people who go to Mondawmin Mall and assuming they're criminals," he said. "Ninety-nine-point-nine-five percent of the time they're honest, hardworking people looking to get value."

KOMO News (KVAL)
Can automated kiosks actually help catch cellphone thieves?
June 3, 2013
SEATTLE -- It's no secret smart phones make tempting targets for thieves, who seem to snatch dozens of the devices every week. But, new automated kiosks that at first glance seem to give thieves an easy way to sell stolen phones may actually be helping local police catch criminals.

EcoATM started manufacturing kiosks that allow people to trade in their old phones for cash -- up to $250 -- back in 2008. Last May, the company expanded nationwide, and ecoATMs popped up in Everett, Tacoma, Redmond and Auburn.

The proliferation of ecoATM, which now has nearly 500 kiosks nationwide, has caused concerns among a number of law-enforcement agencies around the country. Specifically, Washington, D.C. Police Chief Cathy Lanier has gone on record saying the kiosks motivate criminals to steal phones.

That's a claim Ryan Kuder, ecoATM's director of marketing and communications, disputes, calling statements about widespread criminal use of ecoATMs an exaggeration. And, law-enforcement agencies around Puget Sound seem to agree with him.

Det. Brad Williams with the Everett Police Department said he hasn't seen any evidence cellphone thefts have increased since an ecoATM opened at the Everett Mall.

And, the Seattle Police Department's Sgt. Sean Whitcomb said if anything ecoATMs only help police solve cellphone thefts, with one SPD detective calling the kiosks' safety features fairly well done.

Each ecoATM kiosk captures images of the seller with a remotely monitored camera, requires sellers to scan an ID and submit a thumbprint, and stores the phone's serial number.

"It's not a very smart thief who walks up to a machine that's going to take multiple pictures of them, scan their ID, thumbprint them and tell police they just turned in a phone," Kuder said.

Kuder said ecoATM knows stolen cellphones are a problem, which is why the company is spending money on its security technology. He said he believes that technology can actually help police solve crimes.

Williams, who described himself as a skeptic when an ecoATM kiosk opened in the Everett Mall, said his concerns have mostly been alleviated by the information and cooperation he's received from the company.

On one occasion, a woman had her iPhone stolen only to get an alert from its GPS app when it was activated at ecoATM's San Diego headquarters. The Everett Police Department was able to use ecoATM's images of the phone and its serial number to confirm the woman as its owner, and ecoATM sent the phone back overnight.

In addition to the stolen phone, ecoATM sent the Everett Police Department the seller's photo, thumbprint, ID and more. The phone's owner recognized the seller as the person she believed stole her phone, and the case was recommended for charging.

On another occasion, ecoATM contacted the Everett Police Department itself and provided it with the image of a suspicious seller, who was later recognized and arrested for trafficking in stolen goods.
In addition to situations like the ones above, Kuder said ecoATM reaches out to local police departments and volunteers to report all transactions. And, last month the company announced the appointment of a Law-Enforcement Advisory Board headed by a former sheriff.

“We’re not going to be able to build a sustainable business...if we don’t have a cooperative relationship with police,” Kuder said.

While there are still some concerns about the ecoATM kiosks -- Williams remains worried about their ability to match the seller with the ID presented -- Williams said these automated machines are the future, and law-enforcement agencies and the legal system will need to adapt.

In the meantime, he recommends cellphone owners keep track of their phones serial number and avoid situations that could make their phone an easy target for thieves.

Borderstan

Lanier Reiterates Displeasure with Cash-for-Phones ATMs
May 29, 2013

Metropolitan Police Department (MPD) Chief Cathy Lanier appeared on the TODAY Show last Thursday expressing frustration with the rise in ATMs that allow customers to trade in and recycle used cell phones and other electronics for cash on the spot.

ecoATM is the San Diego-based company that produces the machines and places them in malls and shopping centers across the country. Lanier believes that ecoATMs provide an extra incentive to potential robbers, because the machines offer a quick and easy way to trade in stolen phones for cash. The company disagrees, arguing that extensive security measures make it difficult to trade in stolen phones. Customers using the machines must be 18-years-old and provide a valid photo identification card that is compared in real-time to a photo taken by the machine. They must also provide a thumbprint.

ecoATM records the serial number of each phone collected and stores them for at least 30 days after collection. Additionally, the company announced Wednesday the creation of an eight-member Law Enforcement Advisory Board, who will provide recommendations on how ecoATM can best partner with police agencies and ensure the machines are not used for reselling stolen goods. Lanier first argued against the use of ecoATMs on WTOP in February, stating that up to 30 to 35 percent of the phones recycled at ecoATMs are stolen. The company disputes these figures, noting on their website that fewer than five out of every 10,000 phones recycled are stolen.

Lanier said Thursday that MPD believes at least 200 phones stolen in the District have turned up in suburban locations of the machines and that MPD has already made six arrests in these cases. She did commend the company for being very cooperative in law enforcement investigations when a phone believed to be stolen is found deposited in the ATM.

ecoATM currently does not have any machines inside the District, and has not announced any plans to establish a D.C. location. The company formerly operated a machine in Temple Hills, MD at Iverson Mall, but the machine was removed because of a licensing issue. There also was previously a machine in the Fashion Centre at Pentagon City that no longer appears on the company’s list of locations.
While there are still a number of ecoATMs in the D.C. metropolitan area, the remaining current locations would not be particularly convenient for District robbers. The closest ATMs are in Fair Oaks Mall in Fairfax, Virginia; St. Charles Towne Center in Waldorf, Maryland; and Potomac Mills in Woodbridge, Virginia.

If your smartphone is lost or stolen, you can have the device remotely disabled by the provider to make it more difficult for the phone to be reused or resold. More information is available from MPD's “Brick It!” website (DC Announces Initiative Encouraging Victims to Disable Stolen Phones).

**NBC Washington**  
**D.C. Police Want to End Resold Phone Market**  
**May 29, 2013**  
The District’s police chief wants the power to close down any businesses caught buying or selling stolen smart phones.

Lisa Carter was held up at gunpoint over her smart phone, and doesn't want anyone else to have to go through what she did. She said part of the problem is more and more businesses are now buying and selling used cell phones.

"I definitely think that it encourages it because they have an outlet to distribute that stolen property," Carter told News4.

D.C. Police have made several arrests at what they call 'Mom and Pop' stores that have started buying and selling used electronics without doing the proper verification that the person selling the items actually owned them.

"The criminals could steal the phones and then go four or five blocks away and get a quick $50 to $200 depending on the item," D.C. Council member Tommy Wells said. "It is that quick and that is going on repeatedly."

D.C. Police Chief Cathy Lanier said it's not just brick and mortar stores that are fueling the spike in thefts.

"One emerging enterprise enabling criminals to receive cash for stolen phones is through ecoATMs," Lanier said. "An ecoATM is a kiosk at which individuals can turn in a phone and quickly receive cash back for it."

While there are no automated kiosks that buy used cell phones in D.C., there are plenty in Maryland and Virginia.

"One subject sold approximately 22 phones within 30 days and received about $2,500 in cash," Lanier said. "So far, six individuals have been arrested in connection to robberies in D.C. where phones were deposited in kiosks and another 40 investigations are currently underway."

Lanier said there's another type of automated kiosk designed to make life easier for consumers, but has turned into quick cash for crooks.

"Another dangerous trend that we are seeing involves thieves and robbers immediately using stolen credit cards to buy gift cards that they can use later," Lanier said. "Unfortunately, with many if not most
stores selling gift cards, using point of sale systems and not actually handling the credit card, there seems to be little verification that the user matches the card. To address this, we might consider requiring businesses to check identification for customers purchasing gift cards with a credit card."

Lanier said she wants the D.C. Council to approve fines of up to $10,000 for businesses caught dealing in stolen cell phones and she wants to be able to shut them down for up to four days each time they’re caught. As for the gift card kiosks, she said one option is to ban them in D.C.

**San Diego Loves Green**

**ecoATM Turns Used Phones into Donations for OK Strong Fund**

**May 29, 2013**

SAN DIEGO, May 29, 2013 /PRNewswire/ — ecoATM, the company that allows consumers to recycle used mobile phones, tablets, and MP3 players for cash, now allows the option for users to donate the money they receive for recycling their old devices to the OK Strong Disaster Relief Fund. In addition, ecoATM will match all donations to the OK Strong Fund to benefit those most affected by the May 19 and 20 tornados in Oklahoma.

“Natural disasters are not only destructive to our communities but to our spirit, so we wanted to ensure ecoATM did all it could to help,” said ecoATM CEO Tom Tullie. “With more than 450 ecoATMs nationwide already accepting donations for charity, it seemed like an easy answer. People can now recycle their old phones, MP3 players, and tablets at an ecoATM and easily donate some or all of their proceeds to the OK Strong Fund and ecoATM will match their donations dollar for dollar.”

The donation option will appear on kiosks nationwide beginning Saturday, May 25. ecoATM will match any donations made by recycling at an ecoATM kiosk through June 30, 2013. ecoATM locations can be found at [http://www.ecoatm.com/find-a-location](http://www.ecoatm.com/find-a-location).

**About ecoATM**

Based in San Diego, Calif., ecoATM (www.ecoatm.com) is the first company to create an automated self-serve kiosk system to buy back old phones, tablets or MP3 players for cash. ecoATM uses patented, advanced machine vision, electronic diagnostics, and artificial intelligence to evaluate electronics. ecoATM’s eCycling stations provide a convenient trade-in solution that:

- pays consumers immediately in cash
- connects consumers real-time to broad worldwide secondary markets ensuring best possible pricing
- incorporates features that validate sellers’ identities and deter the sale of stolen phones and works closely with local law enforcement ([http://ecoatm.com/law-enforcement.html](http://ecoatm.com/law-enforcement.html))

ecoATM holds both Responsible Recycling (R2) and ISO14001 certification, confirming the company’s commitment to maintaining the highest standards of electronics recycling. ecoATM was incubated at EvoNexus ([http://www.commnexus.org/incubator](http://www.commnexus.org/incubator)), San Diego’s leading fully pro-bono technology incubator, and developed the initial technology with help from a National Science Foundation SBIR grant. See [http://www.ecoatm.com/how-it-works.html](http://www.ecoatm.com/how-it-works.html) for a video of how an ecoATM kiosk works.

**Geek All Day**

**EcoATM more rewarding than expected!**

**May 27, 2013**
It started to bother me today that I had an iPhone 4 lying around my house with a cracked screen collecting dust; I also happened to have an old 80GB iPod Classic with a broken hard drive. So I looked at all the possibilities of fixing and selling my broken iDevices in order to turn around some extra pocket cash. Being an experienced electronic technician, repairing devices is a simple task for somebody like myself. I could purchase a new iPhone 4 screen for $60 and replace it with in 30 minutes. After checking prices with local stores that would purchase my used iPhone I found out that retailers such as Game Stop valued my used phone at $40 – $80.

After further research I found out I had a local EcoATM. EcoATM offered a free evaluation of my product at one of their local vending machines. So I took the time to pay EcoATM a visit and run my phone through their evaluation. The evaluation process was a little time-consuming but produced very surprising results. My iPhone 4 GSM 16GB with completely cracked screen valued at $103 cash. At this point I figured it wasn’t worth $60 for a replacement screen or the time to replace it. So I decided to proceed with EcoATM purchasing my used iPhone 4. Within 15-20 minutes of going through their process the EcoATM machine handed me $103 cash immediately.

I received the cash in fresh $10 and $1 bills. I was very pleased to walk away from my iPhone 4 $103 more wealthy. I would highly recommend using the EcoATM if you’re looking for a quick refund with what seems to be above average return in dollar amount. The only somewhat uncomfortable process of the entire transaction was the required photo scan of my driver’s license and a thumb print for a signature. EcoATM describes in detail that these are required to prevent unauthorized sales of stolen mobile devices. I can understand and appreciate the importance of such a requirement but can also understand such requirements will cause some consumers to walk away.

Entrepreneur

The Serial Entrepreneur Who Is Tackling E-Waste With EcoATMs

May 23, 2013

The U.S. disposes of more than 384 million units of electronic waste each year, and less than 20 percent of that is recycled, according to the Electronics TakeBack Coalition. The remaining 80 percent is burned or dumped in landfills, leaking toxic substances like mercury, lead, cadmium, arsenic and beryllium into the environment.

For companies that clean up the mess, this is big business: ABI Research expects the worldwide market for e-waste recovery to reach nearly $15 billion by the end of 2014, up from less than $6 billion in 2009.

Serial entrepreneur Mark Bowles aims to be part of the effort to reduce e-waste—a problem to which he inadvertently contributed during his 25-plus years in the semiconductor, wireless and tech industries. "It was good work, noble work that we were doing, but the electronic waste problem has gotten pretty severe," he says.

Bowles was spurred by a Nokia survey that found that only 3 percent of people worldwide recycle their mobile phones. In 2008 he founded San Diego-based ecoATM, which makes fully automated self-serve kiosks that buy back electronics from consumers in exchange for cash.

Bowles, who was inspired by Coinstar change-counting machines, spent three years perfecting his device. After securing seven patents and nearly $72 million in financing, his company went into full-scale production in late 2011. The technology combines an artificial-intelligence-based vision system with robotics and electrical inspection. The result: EcoATM can recognize 4,000 types of phones, MP3 players
and tablets and identify any damage; it then uses a constantly updated worldwide auction system to offer consumers competitive prices based on model and condition. The average seller walks away with $25, but payouts can reach $300 for a new smartphone. Thieves need not apply—the machine validates the user’s ID, requires a thumbprint scan and extracts serial numbers from the devices; hi-res cameras capture photos of the seller, and each transaction is monitored remotely by the ecoATM staff.

The company resells 75 percent of the devices to refurbishers; the rest go to e-waste recyclers who are certified by R2 Solutions or e-Stewards industry standards. With the help of EPA calculators, Bowles has determined that the reduction in greenhouse emissions from use of a single ecoATM in one year is equivalent to that of taking three cars off the road or 21 houses off the grid.

Early on Bowles theorized that placing ecoATMs in highly trafficked areas (mostly malls) and offering instant gratification (cash) would entice consumers to recycle. He was right: In 2012 the kiosks collected hundreds of thousands of phones and paid out millions of dollars. There are currently 350 ecoATMs in 24 states, and the company is placing two more per day and making plans for international expansion. Meanwhile, it's improving its technology so ecoATMs can accept bigger items like personal computers. As Bowles explains: "We're using technology to solve a problem that technology created."

**Today News**

**Cash-for-phone ATMs may fuel violent crime, top cop says**

**May 23, 2013**

Thieves targeting your cellphone. Now, some officials say, a machine popping up in malls across the country is helping criminals. TODAY National Investigative Correspondent Jeff Rossen reports.

It sounds like a great idea: An ATM where you can trade in your used cellphone and get instant cash for it. But now some police say these machines are making it easier than ever for criminals to profit off your stolen phone.

They strike without warning: Thieves snatching cellphones right out of your hands, some victims even getting beat up. Now, a top cop says these machines are fueling the violence. "It's a motivator for the criminal element," Cathy Lanier, Washington, D.C., police chief, told us.

They're called ecoATMs: kiosks that recycle your used cellphone. There are more than 400 of them in shopping malls across the country.

Here’s how they work. Put your phone in a bin: The machine scans it for market value, and then gives you cash right on the spot. But critics say these machines are driving thieves to steal more phones for a quick payout.

"I can knock you down and steal your phone, find an ecoATM, I can get up to $300 in cash for that phone," Lanier told us.

It happened to Suzi Woodruff Lacey. A thief stole her iPhone right from her purse. She used an app to track it down, found it at a mall inside an ecoATM, and got it back. "The ecoATM made it so easy for thieves," she said. "I mean, it's a magnet for thieves."
In fact, police say stolen phones have turned up inside ecoATMs nationwide, from Georgia to Texas to California. The company says it has a system to keep criminals away: First, scanning the person’s driver’s license, then taking a photo of them.

"And we have a team of people who verify in real time that the person who is standing in front of the machine is the person who's placed in their license," said Ryan Kuder, director of marketing, ecoATM.

"What happens if the person in front of the machine isn't the same person as the license?" we asked him.

"We deny the transaction," Kuder said.

But we found that not always true. We sent two NBC producers who look nothing alike to ecoATMs in two New Jersey malls. We had one producer use the other’s ID to cash in a phone. The person in the ID clearly wasn’t her, yet the machine still took the phone and spit out the money.

We got the same result at another ecoATM. Remember, the company makes money off these phones. We shared our findings with them. "Does this look like the same woman to you?" we asked Ryan Kuder.

"No, it does not look like the same woman to me," he said.

"What if I told you that this woman went up to one of your machines and used her ID — two of your machines, actually."

"Well, I would say that it would appear that we missed that one," Kuder admitted. "But here's what we do do: We go and we look at these transactions, and we learn from each transaction that we do."

"If we found this in one day, who's to say this is not happening at a lot of your kiosks in a lot of different states every day?" we asked.

"Well, we work very, very hard to make sure that it's not," Kuder replied.

Kuder said that out of every 10,000 phones bought, ecoATM discovers five are stolen, and those are returned. But Washington, D.C., police say they’re finding a lot more than that, tracking at least 200 stolen phones to these machines.

ecoATM says it also provide photos, fingerprints and phone serial numbers that have helped police make arrests. "We're collecting more information about these people that are selling phones than anybody else," Kuder said.

Police in D.C. say they've made six arrests so far. But Chief Lanier wants to prevent these crimes altogether, and says giving instant cash for phones only encourages the thieves.

"Working with us after the fact — we appreciate that. Don't get me wrong," Lanier told us. "But that doesn't help the person who's just had their jaw broken for their phone."

The company says that because of our investigation, they're now taking a second look at their ID verification system, and looking for ways to improve the technology, and employee training.
If your phone is stolen: Report it to the police and your wireless carrier immediately. Police say it’s helpful to have your phone’s serial number, a unique identifier called a IMEI or MEID, to track down the phone.

If you have an iPhone, you can find instructions for retrieving your serial number on Apple’s support page. For other types of devices, contact your wireless provider. If your phone is stolen and you don’t have the serial number, you can always get it from your wireless carrier.

Social Snapshot

![ecoATM](image)
"I went today and received $164 for my iPhone 4S !!!!!!! That was amazing I told everyone I knew to go and visit the ecoATM."

Big shout-out to Tabitha over in Albany, Georgia for shooting us this message today! So glad you had a great visit.

Ernst & Young Entrepreneur of the Year Awards 2013 (6 photos)
Congrats to ecoATM CEO Tom Tullie for being the San Diego Technology Entrepreneur of the Year!

Let's talk about stolen phones. bit.ly

Here at ecoATM, we've been getting some questions about our security features and how we work with law enforcement to make ecoATM the worst place for a thief to sell a stolen phone. We collect...

pm. @doldoldool

@ecoATM in addition to incentivizing theft, you're hurting the earth. Electronic Waste: What Happens To It? wp.me/pmcii-gqT

4:10 PM - 24 Nov 13

pm. @doldoldool

@ecoATM bought my stolen iPhone. Read more about this shit heap of a company: n.pr/17GFZyy

4:06 PM - 24 Nov 13

BreAnna Nunez @Brunez4

That moment when your iPhone is stolen and you locate it with Find My iPhone but it's in an EcoAtm...#SoCloseYetSoFarAway :(  

3:53 PM - 23 Nov 13

Rob Marković (Robi) @vRobM

Hmm, it seems most malls have an ecoATM to recycle your old phones and electronics: ecoatm.com/how-it-works.h...

1:00 PM - 21 Nov 13

Richland Source @RichlandSource

Who knew #waste and #recycling old phones could make you $$? You should check out the @ecoATM in @MansfieldOhio. richlandsource.com/news/article_e...

4 RETWEETS 2 FAVORITES

11:27 AM - 21 Nov 13

Bruce J Friedman @brucejf

EcoATM kiosks banned in Baltimore for encouraging theft- ow.ly/r74e7

1 RETWEET

6:00 AM - 23 Nov 13
Ecoatm pays a small fraction of what you can get on eBay. ($450+) cc @fmanjoo. pic.twitter.com/kmihhKCsDA

Police make more ecoATM-related arrests: WHO ARE DROPPING OF STOLEN DEVICES BY THE DOZEN. IN THE DETECTIVES’ M... binged.it/1dhP3Dv

Police make more ecoATM-related arrests
Police said the theft of stolen electronics is becoming an epidemic, and they said the enticement of getting quick cash for those devices is not helping.

View on web
10:22 AM - 20 Nov 13

Special shout out to @ecoATM and Dwayne. Thank you for all your help!! Looking forward using your services in the future!! (:

Thank you @ecoATM for finally coming to Dallas! I’m very excited to give you a try. pic.twitter.com/ofzd2Vq1DU

Cool kiosk I used last week: ecoATM offers consumers new way to sell used phones & electronic devices thebea.st/1e1NsPJ via@thedailybeast
Police make more ecoATM arrests. Thefts of electronics are way up:
wp.me/p1re2-3ffx by @bekahgrant

Police make more ecoATM-related arrests
Police said the theft of stolen electronics is becoming an epidemic, and they said the enticement of getting quick cash for those devices is not helping.

This morning, @ecoATM founder says #Baltimore City Council has "the wrong culprit" bsun.md/19dBqhM @balTIMoresun

Baltimore singles out the wrong culprit in fight against cell phone...
Most people have a handful of old, used cell phones sitting around at home. And for years, there's been no way for people to safely and conveniently recycle or resell their old phones for cash....