What B2B Payments Can Learn from Early ATM Network Interoperability

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When the first automated teller machines came on the scene in the late 1970s and 80s, it offered us newfound flexibility and freedom. Up until then, most of us were programmed to go to the bank – during banker's hours of course – and write a check for cash to have some money for the weekend. ATMs created incredible convenience and flexibility, allowing us to access cash when we wanted it. The only catch? At the beginning, we were limited to using our own bank's ATM or one that was part of the network to which our bank belonged. This worked quite well if our financial institution's machine was near where we lived and worked. When we were out of town and needed cash, and our bank was nowhere to be found? Not so much.

Initially, there were dozens of different ATM networks like STAR, Cirrus and PULSE, and they still exist, but it wasn't until they joined together were people able to draw cash from machines not belonging to the bank where they have their accounts. Today, these interbank networks play a key role in...

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