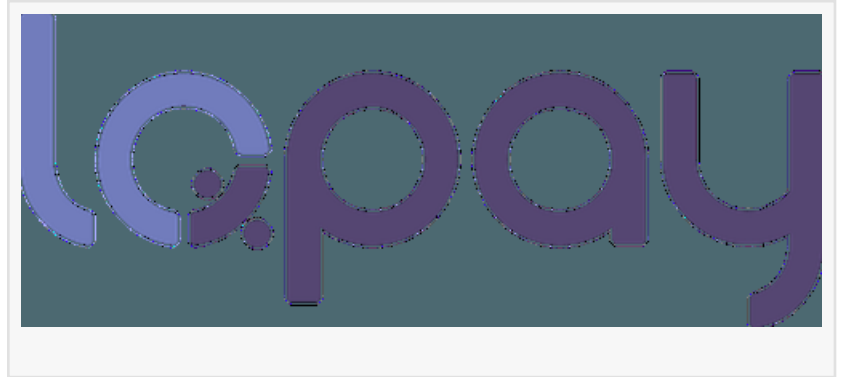


Hidden Swipe Fees Costing U.S. Businesses \$172 Billion and the Average American Family \$1,100

NEW YORK, NY, UNITED STATES, March 26, 2025 /EINPresswire.com/ -- Swipe fees – the charge businesses pay every time a customer swipes, inserts, or taps their card – are the hidden drain on the US economy, says Lopay, a newly-launched payment processing company.



For small businesses, these fees are their second biggest operating expense, behind only labor costs – with merchants across the States paying out \$172 billion on swipe fees in 2023, the highest in the world.

Naturally, because SMEs can't afford to always absorb these growing expenses, it is a cost that is often passed on to the consumer, costing the average American family more than \$1,100 a year.

“

I was shocked to find that small businesses in the US are being fleeced by the processing giants. I thought this was the Land of the Free?”

Richard Carter, founder and CEO

But it doesn't have to be this way, and the arrival of British fintech innovator Lopay in the US marks an opportunity for huge savings to both the economy and the average consumer.

Lopay is the first payments processing solution that enables businesses to have a net free cost on transactions, and therefore spare Americans further price increases.

While firms like SumUp, Zettle and Block (formerly known as Square) charge up to 2.99% per transaction, Lopay charges just 0.79% – and offers easily achievable incentives to reduce that to ZERO.

Rich Carter, CEO and co-founder of Lopay, said: “I was shocked to find that small businesses in the US are being fleeced by the processing giants. I thought this was the Land of the Free?”

“They are being milked for nearly 3% per transaction. That’s probably around 30% of their profit margin. At the moment, small businesses in the US pay around \$4billion in processing fees – we can reduce that to nothing.

“If one in four small and medium traders sign up for Lopay, that’s \$1billion saved every year. The government is actively looking for savings and efficiencies, well, here’s an absolute home run straight away.”

SMEs and MSMEs make up the backbone of the US economy, accounting for about 44% of GFP. And the entrepreneurial scene across the US is booming, with a surge in new business applications in 2024 – an average of 430,000 per month, up 50% vs 2019 – with almost one in five Americans now a small business owner.

Congress recently held a hearing to discuss breaking the Visa and Mastercard ‘duopoly’, in search of lower fees. The duo control around 90% of payment processing outside of China.

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