



Feb. 22nd, 2013
Edition #342

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This Week's NewsFilter...

This week [TSYS makes a move on the prepaid industry](#), announcing it will purchase prepaid debit card provider NetSpend. In mobile payments [Visa debuts the Visa Ready Partner Program](#) and [Square starts selling a bundle](#) aka 'Business in a Box.'

In other news, [more litigation comes from Heartland's 2008 breach](#), [Pulse announces P2P service](#), and [Vantiv becomes first U.S. acquirer to complete requirements to process EMV Visa/Interlink transactions.](#)

Have a great weekend!

Featured

TSG Infographic: What Benefits Me By Paying a Credit Card Swipe Fee

2/20/13 TSG Metrics

The Strawhecker Group has created an Infographic titled 'What Benefits Me By Paying a Credit Card Swipe Fee.' This new Infographic

illustrates an explanation of what merchants pay to accept credit cards, why it's paid, and the benefits provided to merchants and consumers. TSG has used considerable primary and secondary research from a



[Acquisition Multiples & Attrition Summary](#)

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[MPPS Example Executive Summary](#)

[Case Study: Driving Value Through Competitive Bidding](#)

[Should Traditional Merchant Acquirers "Beware of Square"](#)

[ETA/TSG Economic Indicators Report](#)

This Day in History: 1980 U.S. hockey team makes miracle on ice

In one of the most dramatic upsets in Olympic history, the underdog U.S. hockey team, made up of college players, defeats the four-time defending gold-medal winning Soviet team at the XIII Olympic Winter Games in Lake Placid, New York. The Soviet squad, previously regarded as the finest in the world, fell to the youthful American team 4-3 before a frenzied crowd of 10,000 spectators. Two days later, the Americans defeated Finland 4-2 to clinch the hockey gold.

The Soviet team had captured the previous four Olympic hockey golds, going back to 1964, and had not lost an Olympic hockey game since 1968. Three days before the Lake Placid Games began, the Soviets routed the U.S. team 10-3 in an exhibition game at Madison Square Garden in New York City. The

plethora of resources to build-out this visualization providing our educated perception of the ongoing discussion around swipe fees.

[**Click here to view the Infographic.**](#)

Payment Processor TSYS to Buy NetSpend for \$1.4 Billion

2/19/13 Reuters

Payment processor Total System Services Inc (TSYS) said it will buy prepaid debit card provider NetSpend Holdings Inc for about \$1.4 billion in cash to expand its presence in the prepaid card market and target new customers. TSYS offered to pay \$16 per share for NetSpend -- a premium of 30 percent to the stock's Tuesday closing price.

NetSpend Deal Affirms Prepaid's Might

2/21/13 American Banker

Once the redheaded stepchild of consumer banking, the prepaid card business now looks more like the industry's future. The prepaid sector's maturation got further affirmation this week with the announced \$1.4 billion acquisition of NetSpend Holdings by TSYS. TSYS is a well-established payments processor that wanted a piece of the fast-growing prepaid market, despite the fact that it has little experience dealing directly with consumers.

Visa Debuts New Mobile Payments And NFC Partner Program For Merchants And Developers, Ready

2/22/13 TechCrunch

Credit card company Visa is ramping up its partner program to help integrate its payments technologies in mobile devices and platforms. The new initiative, called the Visa Ready Partner Program, aims to help mobile device manufacturers, technology partners, mobile network operators, and others gain access to Visa IP, licenses and more. In addition, Visa has developed the new Visa Ready symbol to identify payment devices and solutions approved for use with Visa payments.

PayPal Finding Place In Everyday Life

2/20/13 ISO & Agent

Some of the big names in retailing now accept PayPal at the point of sale, but the payments provider still has a long way to go before its digital wallet becomes a part of everyday consumer life. At least that was the case until a recent partnership with the fuel pump technology company Gilbarco Veeder-Root. "Gas stations and convenience stores are one of the pillars of the everyday spend category," says Kareem Al-Bassam, director of business development for the point of sale at PayPal.

Mobile Payments

Square Broadens Its Business Strategy with New Hardware Bundle

2/21/13 BTN

The payments startup is selling an iPad stand, a cash drawer, a card-swiping dongle and a printer for a starting price of \$299 - it's the first time that Square has charged for its hardware. The package is called Business in a Box. The switch is a stark change for the Silicon Valley company. Before, it

Americans looked scrappy, but few blamed them for it--their average age, after all, was only 22, and their team captain, Mike Eruzione, was recruited from the obscurity of the Toledo Blades of the International League.

[Click here to read more.](#)

gave away its basic product, which gives micro merchants the ability to accept cards. Now, it seems to have grown, and is selling its wares to more traditional sellers.

Report: ISIS Redesigning Mobile Wallet for Expansion to Apple's iOS

2/21/13 Fierce Mobile Content

Isis will revamp its mobile wallet user interface in collaboration with a new software partner and plans to expand its contactless payment platform to Apple's iOS, NFC Times reports. Sources say Isis--spearheaded by Verizon Wireless, AT&T Mobility and T-Mobile USA--has hired app developer Mutual Mobile to build the next version of its digital wallet, replacing developer C-SAM, which built the original version.

Visa Showcases Mobile Payments at Mobile World Congress

2/20/13 BusinessWire

Visa, in collaboration with mobile operators, financial institutions, device manufacturers and technology providers, is making mobile money a reality for consumers around the world, transforming the way people shop, pay and get paid. At Mobile World Congress 2013, to be held February 25-28 in Barcelona, Spain, the company will unveil the latest mobile payments and services at its exhibition stand in hall 6, stand 6E40.

Mobile Payments Firm iZettle Solves its Visa Europe Problem, Launches 'Chip & Pin' Device'

2/20/13 TNW

The VISA issue was one of the biggest hurdles for iZettle in Finland and pretty much everywhere else. They were unable to allow VISA transactions (for several reasons as outlined by VISA Europe) and since it is the major credit card brand in the country, many of the vendors were simply not motivated enough to use iZettle. They did try to solve the problem by introducing "a solution", however it was more of a hassle than a real solution.

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Regulation & Security

More Litigation Tied to Heartland Breach

2/21/13 Bank Info Security

Seven card-issuing institutions seeking recovery of financial losses they suffered after the 2008 breach of processor Heartland Payment Systems Inc. have taken their case to a federal appellate court. These banking institutions are appealing a federal court's dismissal of their negligence claims under New Jersey law against Heartland, arguing that the processor did not take reasonable security measures to avoid the risk of a "foreseeable intrusion" into its network that resulted in the theft of an estimated 130 million U.S. payment cards in 2008.

Why PCI DSS Compliance Is Not Like The Flu

2/20/13 StorefrontBacktalk

PCI DSS compliance is not like the flu. You can't "catch" it from your service provider, even though that provider might be PCI compliant. Merchants must go beyond reading the marketing materials and taking a quick glance at the service provider's attestation of compliance (AOC). The path to PCI compliance starts with PCI-compliant service providers, but it then takes the extra step of performing effective due diligence.

Too Many Merchants Lack PCI Compliance

2/19/13 Info Security

Many merchants are failing to meet compliance with the Payment Card Industry Data Security Standard (PCI DSS), putting users' credit card data at risk. But the issue isn't complacency, but rather obsolescence: too many stores and restaurants are in desperate need of equipment upgrades. According to a report issued by SecurityMetrics, storing unencrypted credit card data is an all-too-common practice, and worse, many merchants don't have a way to eliminate sensitive information from unprotected records.

Economy.

Weekly Jobless Claims Rise More Than Expected

2/21/13 Fox Business

The number of Americans filing new claims for unemployment benefits rose more than expected last week, but still remained at levels consistent with a steady improvement in labor market conditions. Initial claims for state unemployment benefits increased 20,000 to a seasonally adjusted 362,000, the Labor Department said on Thursday. The prior week's claims figure was revised to show 1,000 more applications received than previously reported.

Crunched Consumers are Cutting Back

2/21/13 CNNMoney

Smarting from smaller paychecks, consumers are tightening their budgets and looking for other ways to save money, according to a survey released Thursday. Nearly three-quarters of respondents said they were cutting back to cope with tax changes this year -- including dining out less, limiting travel plans and skipping everyday indulgences, according to the National Retail Federation, which sponsored the survey.

Big Data Market Expected to Reach \$18.2B Globally in 2013

2/21/13 The Green Sheet

Wikibon, the world's leading technology research and advisory community focusing on Big Data and Software-led Infrastructure, today released its second annual Big Data Vendor Revenue and Market Forecast report. Market expected to reach \$18.2B in 2013 (a growth of 61%), and reach nearly \$50B by 2017, with an overall 2012-2017 CAGR of 31%.

Payments Press

Pulse's Tie to Acculynk Furthers Trend Toward EFT-Based P2P Services

2/20/13 Digital Transactions

The effort to harness debit card networks for near-instant person-to-person payments is moving apace. The latest development is this week's announcement that the Houston-based Pulse electronic funds transfer network has enabled a service that will let cardholders pay each other by entering their debit card PINs on a so-called floating PIN pad that appears on a PC or mobile-phone screen. Funds will be available to recipients typically within minutes.

Vantiv First U.S. Acquirer to Complete Mandate Reqs to Process Both EMV Visa and Interlink Transactions

2/19/13 Vantiv

Vantiv, Inc., a leading provider of payment processing services and related technology solutions for merchants and financial institutions of all sizes, announced today that it is the first U.S. acquirer to complete host testing requirements to process both Visa and Interlink EMV transactions in support of the EMV acquirer mandate.

Vantiv Reports Fourth Quarter and Full Year 2012 Results

2/20/13 MarketWatch

Vantiv, Inc. announced financial results for the fourth quarter and full year ended December 31, 2012. Revenue increased 13% to \$494.1 million in the fourth quarter as compared to \$439.0 million in the prior year period. Net revenue increased 12% to \$271.2 million in the fourth quarter as compared to \$242.7 million in the prior year period.

VeriFone Announces Preliminary Financial Results for the First Fiscal Quarter of 2013

2/20/13 VeriFone

VeriFone expects to report Q1 non-GAAP net revenues in the range of \$425 million to \$430 million and Q1 GAAP net revenues in the range of \$424 million to \$428 million. VeriFone expects to report non-GAAP net income per share between \$0.47 and \$0.50 and GAAP net income per share between \$0.07 and \$0.10.

Mutual of Omaha Bank Uses FTNI's ETran Platform to Enhance Credit Card Processing for HOA Clients

2/19/13 FTNI

Financial Transmission Network Inc. (FTNI), a provider of industry leading receivable management solutions, today announced that Mutual of Omaha Bank has completed the rollout of its enhanced credit card processing through the deployment of First Data Corporation's Dynamic Descriptor processing. A national leader in the home owners association (HOA) banking space, Mutual of Omaha Bank provides banking solutions to more than 21,000 HOAs nationwide.

Sterling Executives Appointed to ETA Committees

2/19/13 Sterling Payment Technologies

David Mannella, Sterling's Executive Director of Gateway Products and Services, was named to ETA's Technology Committee, which is responsible for monitoring and providing information on technology trends and applications to ETA members and the payments industry. Mr. Mannella has more than 20 years of industry experience. Prior to joining Sterling, he was a Senior Project Manager at Chase Paymentech.

Image Cash Letters From CheckAlt and Global eTelecom Reduce Costs and Speed Funds for Businesses

2/21/13 MarketWire

Global eTelecom, Inc. (GETI), a leading electronic check, ACH, and Gift/Loyalty card processor, and CheckAlt, a premier provider of electronic check and Check21 Remote Deposit Capture (RDC) services, have partnered to offer Image Cash Letter (ICL) fund settlement for businesses. This partnership offers solutions to businesses that receive check payments through the mail, online, or via mobile applications.

Merchant Warehouse Partners with SunLync to Enhance Payment Options

2/20/13 Merchant Warehouse

Merchant Warehouse, a top innovator of payment technologies and merchant account services, announced its POS partnership with SunLync Software Inc., a business software system for salons. As a result, the Genius Customer Engagement Platform(TM) will now give SunLync's customers the ability to accept a wide variety of payment and loyalty options, including credit, debit, mobile, NFC and more.

WorldPay's Alternative Payment Programme wins 'International Award' at 2013 European MPE Awards

2/18/13 Realwire

WorldPay, a global leader in payment processing, risk and alternative payments, today announced that it has been named winner of the 'International Award' for its Alternative Payment Programme at the 2013 prestigious Merchant Payment Ecosystem Awards (MPE Awards). WorldPay's Alternative Payment Programme refers to the company's extensive range of alternative payment types that it processes quickly and securely across numerous territories and sales channels.

Wells Fargo Overhauls ATMs for Personalized Service

2/19/13 Finextra

US bank Wells Fargo has revamped its ATM interface to give customers a more personalized and simplified experience. The machines' customized screens are based on the users' preferences, with 'favorites' that appear in the color green based on usage. A 'Balance Dashboard' features balances at-a-glance, if the customer chooses, for their most used accounts.

PointsPay Wins the "MPE Loyalty Award"

2/20/13 PointsPay

Loylogic, the leading innovator of loyalty e-commerce and e-payment solutions, was awarded with the 'MPE Loyalty Award' at the prestigious 2013 Merchant Payment Ecosystem event in Berlin. The recognition was given for the launch of PointsPay, the world's first mobile wallet which enables payment with loyalty currencies at over 32 million merchants worldwide.





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