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Trending This Week...

Username & passwords are too easy to compromise nowadays, [how about an electrocardiogram to verify a person's identity?](#)

This week marked the close of the opt-out period for the settlement prior to the September 12th hearing. Following last week's retailer rage, [Visa & MasterCard returned fire](#) by suing trade groups and retailers that rejected the \$7.25b settlement and asked the court to rule that the card companies' fee practices weren't illegal.

NetSpend announced it will adjourn to June 18 in order to provide [additional time for consideration of unsolicited alternative acquisition proposals](#) and announced modifications to the merger agreement with TSYS.

Other highlights include:

- Starbucks processes [4.5 million mobile transactions per week](#)
- EMV could make prepaid cards prohibitive to issue, [unless....](#)
- This time, a [growing economy stirs unease](#)
- [TSYS Signs Payments Agreement with KeyBank](#)

About to Renegotiate Your Contract?

TSG's Merchant Processing Pricing Benchmark can help! TSG has released their seventh edition of this widely popular report which includes the detailed line-item cost of third-party processing to ISOs/MSPs.

[Transaction Advisory](#)

[Acquisition Multiples & Attrition Summary](#)

[Merchant Aggregation](#)

[Acquirer Strategic Assessment](#)

[TSG MPPS Benefits](#)

[MPPS Example Report](#)

[ETA/TSG Economic Indicators Report](#)

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

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

[What Benefits Me By Paying a Credit Card Swipe Fee?](#)

[Use a Smart Phone to Buy Things!](#)

This Day in History: 1859

Big Ben goes into operation in London

The famous tower clock known as Big Ben, located at the top of the 320-foot-high St. Stephen's Tower, rings out over the Houses of Parliament in Westminster, London, for the first time on this day in 1859.

After a fire destroyed much of the Palace of Westminster—the headquarters of the British Parliament—in October 1834, a standout feature of the design for the new palace was a large clock atop a

[Click here to see a preview of the report.](#)

[Read an article on the report here.](#)

Please [click here](#) if you are interested in ordering the report. The price is \$4,900. Please email info@thestrawgroup.com with questions.

Featured

NetSpend Seeks Alternatives to TSYS Merger

5/29/13 MarketWatch

NetSpend Holdings, Inc. today announced that it will adjourn to June 18, 2013 its special meeting of stockholders to be held in connection with the Company's proposed merger with TSYS in order to provide additional time for the submission and consideration of unsolicited alternative acquisition proposals and also announced certain modifications to its merger agreement with TSYS.

First Look: Startup Readies Heartbeat-Based Authentication

5/29/13 BTN

We can all agree: Usernames and passwords have become all too easy to compromise, and to forget. We can't all agree on what to replace the antiquated authentication method with. Fingerprints, facial recognition, voice recognition, iris scans, and palm prints are just some of the biometric alternatives floating among financial services and technology firms.

Walmart: Settlement 'Worse Than Losing'

5/29/13 StorefrontBacktalk

In a last-minute interchange settlement objection filed on Tuesday (May 28), Walmart and than 60 other retailers described the proposed settlement as worse than actually losing the case. The settlement will block future lawsuits over any Visa or MasterCard rules, practices or actions—and that includes PCI and breach penalties. That goes far beyond the original lawsuit, which only covered default interchange rules, honor-all-cards rules and anti-steering rules.

Visa & MasterCard Return Merchants' Fire

5/29/13 Courthouse News

Visa and MasterCard sued nationwide grocers, convenience stores, restaurants and pharmacies as the opt-out period for two class actions expired, insisting it did not violate antitrust laws, and if it did, it settled. Dozens of major retailers sued Visa and MasterCard last week in Manhattan Federal Court, claiming the two dominant credit card companies colluded to impose virtually identical rules on banks, stifling competition and forcing merchants to pay millions of dollars in exorbitant "swipe" fees.

Eye on Acquiring: IP Commerce To Stop Processing; Passilla at Chase; Groupon And SumUp

5/28/13 Digital Transactions

tower. The royal astronomer, Sir George Airy, wanted the clock to have pinpoint accuracy, including twice-a-day checks with the Royal Greenwich Observatory. While many clockmakers dismissed this goal as impossible, Airy counted on the help of Edmund Beckett Denison, a formidable barrister known for his expertise in horology, or the science of measuring time.

Denison's design, built by the company E.J. Dent & Co., was completed in 1854; five years later, St. Stephen's Tower itself was finished. Weighing in at more than 13 tons, its massive bell was dragged to the tower through the streets of London by a team of 16 horses, to the cheers of onlookers. [Click here to read more.](#)

IP Commerce Inc., a 9-year-old Denver-based company that provides platforms for independent software vendors (ISVs) and other payments developers, will discontinue its front-end payment-processing service effective June 30, according to a notice on the home page of the company's Web site. The company began notifying clients earlier this month, according to a report in the Bloomberg news service.

With 3.5 Million Visa Chip Cards Issued Since 2011, EMV Continues to Gain Momentum

5/28/13 Visa

Since announcing our EMV migration roadmap in August 2011, Visa issuers have put what averages out to over 5,000 new chip-enabled cards in the hands of U.S. cardholders every day. As of March 31, the total number of Visa chip cards in market was at 3.5 million and growing. We're very pleased with the progress the U.S. has made over the past two years.

Mobile Payments

Square is the Shape of Things to Come, Says Jack Dorsey

5/28/13 The Telegraph

On nearly every shop counter around the world, there is a till that has hardly changed in three decades. Usually grey, always ugly, these machines clutter the single point that every customer is guaranteed to see when they go to buy something. Little wonder that luxury brands from Hermes to Burberry would rather take your credit card away, deal with the dirty business of payment and then bring back a bill neatly encased in a leather wallet for customers to sign.

Starbucks: We Process 4.5 Million Mobile Transactions Per Week

5/30/13 Seeking Alpha

Now a multi-billion dollar business, Starbucks' mobile payment app is processing more than 4.5 million transactions a week, the company says, despite its humble origins as a way to reduce customer wait times at stores. Speaking at the Sanford C. Bernstein Strategic Decisions Conference, president and CEO Howard Schultz said he expects adoption to further increase as the card expands into grocery stores and the way in which customers use mobile phones continues to evolve.

Brits Turn Away from Cash as Digital Alternatives Gain Currency

5/30/13 Finextra

According to a British Retail Consortium (BRC) survey based on 10 billion transactions, cash usage as a percentage of sales turnover was down 10% in 2012 compared to the previous year. And while notes and coins are still the dominant payment method by number of transactions, accounting for 54%, even this is down by seven per cent. In contrast, debit card payments saw rises by both measures, up six per cent as a percentage of sales turnover and three per cent by the number of transactions.

Will Amazon Become Universal Login for Ecommerce?

5/30/13 eCommerce Bytes

Previously it took the might of a company like Microsoft to try to launch a universal log-in system like its Microsoft Passport, the predecessor to

Windows Live ID. This week, Amazon flexed its muscles by launching a similar program called Login with Amazon. And while it currently appears to be targeted at mobile apps and games, could it be aiming to eventually become a universal login system for ecommerce websites?

Square's Kimble: There's 'More Opportunity Than Obstacle' in Payments Space

5/29/13 StreetFight

Chuck Kimble, who heads up the company's strategic partnerships, will be appearing on a panel next week in San Francisco at Street Fight Summit West, so we took the opportunity to catch up with him recently over email and find out more about how the company is planning to expand beyond mobile payments to become a vital part of small business owners' marketing strategy.



Regulation & Security

Underweb Payments, Post-Liberty Reserve

5/30/13 KrebsonSecurity

Following the U.S. government's seizure this week of virtual currency Liberty Reserve, denizens of the cybercrime underground collectively have been progressing through the classic stages of grief, from denial to anger and bargaining, and now grudging acceptance that any funds they had stashed in the e-currency system are likely gone forever. Over the past few days, the top discussion on many cybercrime forums has been which virtual currency will be the safest bet going forward?

Anonymous Payment Schemes Thriving on Web

5/29/13 The New York Times

Eight years ago, Ernie Allen, the head of the International Center for Missing and Exploited Children, called the heads of major banks and credit card companies. Why, he wanted to know, were they letting child pornographers move illicit profits through their systems? And so began a collaboration between his organization, major banks, credit card companies, Internet service providers, payment processors, and Internet companies like Google and Microsoft. They had hoped to follow the money and quash child pornography for good.

EMV Could Make Prepaid Cards Prohibitive to Issue, Unless

...

5/28/13 BankThink

While it's hard to deny that chip cards are more secure than magnetic stripe cards, it's equally hard to deny they cost more, too. When it comes to debit and credit cards, Visa and MasterCard argue the expected fraud reduction from moving to chip-and-PIN make that extra unit cost worthwhile. However for prepaid cards, the story may be different. While the opportunities are big - a MasterCard study last year predicted the

global market for prepaid would grow to \$822 billion by 2017 - the margins are small.

Economy.

This Time, a Growing Economy Stirs Unease

5/30/13 NY Times

The American markets are getting worried again. But this time the fear is refreshingly different. The worry is that economic growth may be about to accelerate. After five years of a disappointing economy, such a concern sounds too good to be true, and perhaps it is. But imagine what will happen if it is not. We've been complaining for years about how slow the recovery is. It would be great if it sped up appreciably.

Soaring Consumer Confidence Points to US Resilience

5/28/13 CNBC

U.S. consumer confidence strengthened in May to the highest level in more than five years, suggesting Americans' attitudes were resilient in the face of belt-tightening in Washington, a private sector report showed on Tuesday. The Conference Board, an industry group, said its index of consumer attitudes jumped to 76.2 from an upwardly revised 69 in April, topping economists' expectations for 71. It was the best level since February 2008.

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Payments Press

MasterCard Scans Social Media, Calls Itself a 'Tech Company'

5/28/13 Newsday New York

When pop singer and MasterCard pitchman Justin Timberlake and his followers post on Facebook about exclusive offers relating to Timberlake's "20/20" tour, MasterCard's social media vacuum scoops the posts up and displays them. The company's unique social media listening post -- rolled out in April 2012 -- now filters, analyzes and displays postings from 43 countries, in 26 languages, 24 hours a day. Among other functions, it keeps score on where MasterCard stands in social media conversation relating to credit cards. If your post mentions MasterCard, the company's listening post is going to snag it.

TSYS Signs Payments Agreement with KeyBank

5/30/13 TSYS

TSYS announced today that it has signed a long-term payments agreement with KeyBank to provide payment processing for the bank's consumer credit card portfolio. KeyBank made the strategic decision to bolster its payments business last year and begin self-issuing credit cards. At that time, Key purchased a \$725 million Key-branded credit card portfolio from Elan Financial Services. KeyBank has selected TSYS' TS2® platform to convert the portfolio and issue new cards going forward.

Chase Names Mike Passilla CEO of Merchant Services

5/28/13 BusinessWire

JPMorgan Chase today announced that Mike Passilla has been named chief executive officer of Merchant Services. This newly created role will oversee Chase's growing payments and merchant services business including Chase Paymentech, Chase's merchant offers business, as well as Chase's recently-announced merchant payments initiative.

Announcing to Acquiring Industry's First, All-in-One, Cloud-Hosted Enterprise Management and Integrated Revenue Engine Platform

5/31/13 The Formula

For the first time in history, Independent Sales Organizations (ISO's) in the electronic payments industry, merchant services professionals, and banks who handle payment processing accounts for business merchants, now all have access to a commercially available, cloud-based enterprise management software system. The Software-as-a-Service (SAAS) product, known as The Formula, was exclusively designed by experts within the niche financial services industry to cater to the unique and complex business challenges associated with selling, boarding and supporting merchant payment accounts.

First Data Wins Best Billing Subscription/Software Company at Second Annual Card Not Present Awards

5/30/13 First Data

First Data Corporation, a global leader in electronic commerce and payment processing, announced today that it was chosen as the Best Billing Subscription/Software Company Judges Choice winner at the 2013 Card Not Present (CNP) Awards for its hosted recurring payments solution (HRP). The CNP Awards recognize the companies, programs and solutions that have distinguished themselves in the CNP space in the last year.

Next Gen Dine Now Offers an Integrated Customer Loyalty Program

5/31/13 PRWeb

Next Gen Dine by Prelag Partners LLC released a new customer loyalty program within its software, which is designed to make the experience of ordering more rewarding. The customer loyalty program is integrated with Menu Drive, where customers can make orders online or through mobile devices. Upon completing an order, customers are prompted to enter a phone number. The database immediately checks for an existing account, or prompts customers to create a new account. For each order made online or through a mobile device, customers will receive points assigned per dollar value.

RapidAdvance Turns to National Television Advertising Campaign to Reach Small Business Owners

5/28/13 RapidAdvance

Rapid Financial Services announced the debut of its first national television campaign. Launching on May 20, the objective of RapidAdvance's 'Your Money's Here' campaign is to reach small business owners via an unexpected medium and through memorable executions that succinctly convey the value of working capital and a partnership with the company. By extension, the advertisements support RapidAdvance's

efforts to build its brand and power both the company's 3rd party sales partnerships and its own direct efforts.

TransFirst Forms Alliance With Bank of the Sierra

5/28/13 TransFirst

TransFirst is pleased to announce a collaboration with Bank of the Sierra that will provide innovative payment processing products and services to the financial institution's business banking customers. With the alliance, TransFirst will offer its full array of payment processing services to Bank of the Sierra's current and future merchant services clients, who will benefit from such proprietary products as Transaction Express.

FIS Names Gary Norcross to Board of Directors, Re-elects Frank Martire as Chairman

5/29/13 FIS

FIS the world's largest provider of banking and payments technology, today named 25-year FIS veteran and current President and Chief Operating Officer (COO) Gary A. Norcross to its board. Norcross, a highly respected industry executive, assumed the role of President and COO on March 30, 2012, and is responsible for the steering and execution of the company's global business strategy.

Heartland Payment Systems(R) Names Tony Capucille Chief Sales Officer

5/28/13 Heartland Payment Systems

Heartland Payment Systems has named Tony Capucille as its chief sales officer. Most recently serving as Heartland's chief of sales operations, Capucille has been instrumental in driving sales force productivity to record levels and is now responsible for the overall effectiveness of the company's 800-person sales organization.

BridgePay Network Solutions, Inc. Leads the Transaction Gateway Industry with Fusion-io NexGen Storage

5/30/13 BridgePay

BridgePay Network Solutions continues on its path to be the most technologically skilled transaction gateway and turnkey payment application solution in today's marketplace. The latest addition to BridgePay's collection of advanced tools is the installation of the NexGen Storage System.

First Data Lays Off 40 More Employees in Omaha

5/31/13 Omaha.com

About 40 employees of First Data Corp. in Omaha lost their jobs Thursday, among about 70 total positions eliminated by the Atlanta payment processing firm. The layoffs were part of the same Financial Services segment restructuring effort that resulted in 60 Omaha jobs cut in April. That was the first sizable layoff since July 2010, when the company eliminated 50 jobs here.

Sterling Payment Technologies Now Offers Its Merchants the Benefits of American Express OnePoint

5/28/13 Sterling Payment Technologies

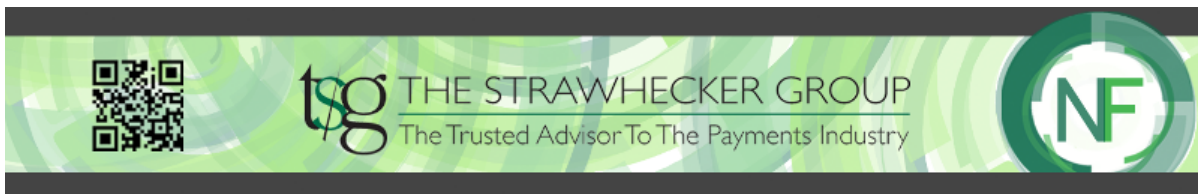
Sterling Payment Technologies announced that as part of the company's ever expanding portfolio of merchant credit card processing benefits, it is

now proud to offer American Express OnePoint®. "Sterling Payment Technologies continually strives to expand our service offerings that benefit our merchants and customers," said Gary Staub, Chief Sales and Marketing Officer at Sterling Payment Technologies.

Cardlytics Granted First Patent

5/30/13 Telecomms Briefing

Cardlytics announced that the United States Patent and Trademark Office has issued the industry's first-ever patent for Cardlytics' unique method of merging, or injected, targeted marketing offers within a transaction display of an online portal. U.S. Patent # 8,438,061 was awarded to Cardlytics' CEO, Scott Grimes, for enabling Cardlytics to deliver millions of targeted marketing offers through its network of nearly 400 banks including Bank of America, PNC and Regions Bank.



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