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Trending This Week...

This week, results from [PULSE's 2013 Debit Issuer Study](#) were released, showing FI's experienced continued growth in debit despite downward pressure on interchange revenue.

[The swipe fee war continues as it moves to states](#), currently nearly 20 state legislatures are weighing legislation related to payment cards.

In mobile news, reports this week stated [mobile payments in the U.S. are expected to top \\$1B this year](#). (For context, TSG estimates MasterCard/Visa U.S. volume to be \$3.3 trillion in 2013.)

Other highlights include:

- ETA Starts Blog Called '[Trendsetter](#)'
- First Data's Bisignano [Hires JPMorgan Colleague, Chiarello](#)
- [Mobile Payments 'Tsunami'](#) is Coming to Wash Away Our Wallets
- [New Consensus on Debit Routing Removes EMV Obstacle](#) But Leaves Timing Unclear

Merchant Acquiring for Dummies

TSG has just released the **U.S. Merchant Acquiring Industry Overview** report. This report highlights the merchant acquiring industry focusing on several key topics including: electronic payments growth, the acquiring market landscape, and the impact of mobile payments on incumbent merchant acquirers.

[Transaction Advisory](#)

[Acquisition Multiples & Attrition Summary](#)

UPDATED [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: 1862

Medal of Honor Created

President Abraham Lincoln signs into law a measure calling for the awarding of a U.S. Army Medal of Honor, in the name of Congress, "to such noncommissioned officers and privates as shall most distinguish themselves by their gallantry in action, and other soldier-like qualities during the present insurrection." The previous December, Lincoln had approved a provision creating a U.S. Navy Medal of Valor, which was the basis of the Army Medal of Honor created by Congress in July

[Click here for a preview of this report.](#) This enhanced preview contains a table of contents containing the outline for the full report, you will know everything you are getting before you purchase. The full report is 38 pages, [you can order it here](#) for \$1,950.

Featured

Debit Issuers Respond to Post-Regulation II "New Normal"

7/10/13 BusinessWire

Financial institutions participating in the 2013 Debit Issuer Study, commissioned by PULSE, experienced continued growth in their debit businesses despite downward pressure on interchange revenue as a result of Regulation II. Additionally, the study details financial institutions' opinions and plans with respect to prepaid, EMV and mobile payments.

Swipe-Fee Battle Moves to States as U.S. Banks Fight Surcharges

7/08/13 Bloomberg

Banks and payment networks are pressing state lawmakers to bar retailers from charging customers more to pay with credit cards than with debit cards or cash. The laws' supporters say they are trying to protect consumers from unfair costs when they make purchases with credit cards. Utah has already passed a law banning such surcharges, and New Jersey may follow suit. In all, about 20 state legislatures are weighing legislation related to payment cards, according to the American Bankers Association.

16 Senators Seek Inquiry of A.T.M.-Style Pay Cards

7/11/13 Dealbook

Sixteen Democratic senators are asking regulators to examine the use of A.T.M.-style cards to pay hourly employees. In a letter on Thursday, the senators urged Richard Cordray, the director of the Consumer Financial Protection Bureau, and Seth D. Harris, the acting secretary of the Labor Department, to "take swift action to protect American workers." Across the country, a growing number of companies are doing away with paper paychecks and, in some instances, direct deposit, to offer prepaid cards.

Predictious Lets Gamblers Bet Bitcoins on Royal Baby Sex

7/12/13 Finextra

Gamblers with a predilection for decentralized and anonymous currencies finally have a place to place their bets thanks to the opening of bitcoin-based prediction market, Predictious. Based in Dublin and backed by start-up Pixode, Predictious allows punters to bet on the outcome of a number of future events in the fields of sports, politics, entertainment, economics, science and business.

ETA Starting Blog Called 'Trendsetter'

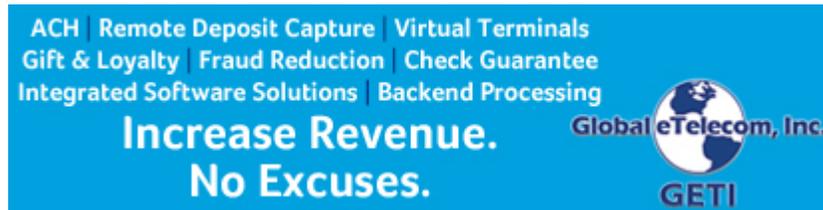
7/10/13 ISO & Agent

The Electronic Transactions Association, which is now calling itself "the trade association of the global electronic payments industry," has announced a new blog called "Trendsetter." The trade group plans to use the blog to provide "industry insights and unbiased, non-commercial,

1862. The first U.S. Army soldiers to receive what would become the nation's highest military honor were six members of a Union raiding party who in 1862 penetrated deep into Confederate territory to destroy bridges and railroad tracks between Chattanooga, Tennessee, and Atlanta, Georgia. [Click here to read more.](#)

thought-provoking content on payments and technology trends," a press release said.

[Go to ETA's Trendsetter.](#)



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Mobile Payments

Mobile Payments 'Tsunami' is Coming to Wash Away Our Wallets

7/10/13 VentureBeat

People are shopping on their phones more so than ever before, and yet conversion rates remain low. During discussions on the future of mobile payments at MobileBeat 2013, executives from PayPal, Stripe, Braintree, and PocketChange shared what obstacles are standing between us and a world in which all you need to buy a beer, a diamond bracelet, or new house is your phone.

Mobile Payments in U.S. to Top \$1B this Year, Report Says

7/11/13 CNET

The much-touted mobile wallet has yet to catch on with a majority of consumers. But dollars generated by mobile payments continue to rise. Payments made via a mobile phone will surpass \$1 billion in the U.S. this year, research firm eMarketer said Thursday. That's more than double last year's figure of \$539 million. Peering into the future, eMarketer predicts that the number will hit \$2.6 billion next year before ratcheting up to \$58.4 billion by 2017.

The Changing Role of the Trusted Service Manager

7/10/13 Digital Transactions

In some cases, however, TSMs are set up to service both the MNO and the service provider. Some MNOs and service providers find this arrangement more appealing because they can use a common TSM, which means one less third party handling sensitive card data and having access to the secure element. Says **Chuck Fillinger, a senior associate for Omaha-based consultancy The Strawhecker Group**: "Every new party that enters the NFC-wallet ecosystem is one more player that has to be carefully managed by the bank and the MNO."

One in 10 Retailers Use In-Store Features in Their Mobile Apps

7/09/13 Mobile Commerce Daily

Pointing to how retailers are struggling with integrating mediums such as mobile into the store experience, only one in 10 currently offer in-store features in their mobile applications, according to a new report from EKN Research. While retailers have aggressive plans to equip their store associates with mobile devices going forward, many do not expect to

leverage the full capabilities of the devices. The results underscore how omnichannel integration is still a significant roadblock in enabling seamless in-store experiences.

6 Reasons to Opt for Card-Linked Loyalty Programs

7/09/13 StreetFight

Digital loyalty providers have a number of options when it comes to how they structure their programs, with those connected to customer telephone numbers or mobile apps that are scanned at the POS being among the most common. However, card-connected loyalty programs have a few benefits that other types of programs cannot provide. Here are six reasons why loyalty providers should consider structuring their programs to connect with customer's credit or debit cards.

Regulation & Security

New Consensus on Debit Routing Removes EMV Obstacle But Leaves Timing Unclear

7/08/13 Digital Transactions

The EMV Migration Forum, an industry group that has been working on ways to make EMV compliant with Durbin's mandate that merchants have a choice in debit-transaction routing, last week announced the group has settled on a what it calls a "recommended path" that steers between and among at least three competing solutions.

MasterCard Seeking To "Be Free To Set Any Fees We Want"

7/08/13 StorefrontBacktalk

MasterCard is involved in an intense battle with the highest European Union court, with the brand begging for the court to overturn a decision that would sharply limit interchange rates MasterCard could charge throughout the continent. On the surface, that seems like exactly what one would expect from MasterCard. And it was, until we saw an unusually candid statement from its chief counsel.

PCI: Impact on Mobile Commerce

7/08/13 Bank Info Security

New payments technology, such as mobile and emerging e-commerce transactions, is posing security challenges and more hurdles for compliance with the Payment Card Industry Data Security Standard, says PCI Security Standards Council European director Jeremy King. "The biggest challenge going forward is new technology, new technology, new technology," says King during an interview with Information Security Media Group.

Credit Card Donations to WikiLeaks Restored as MasterCard Breaks Ranks

7/08/13 The Register

Mastercard has broken ranks with other payment providers such as PayPal and Visa and begun allowing payments to WikiLeaks. Visa, MasterCard, PayPal, BofA and Western Union all suspended payment processing for WikiLeaks days after the site began publishing leaked US diplomatic cables in November 2010. The decision aroused the ire of hacktivist collective Anonymous which launched denial of service attacks against the websites of Mastercard, Visa et al in retaliation.

Report Discloses 131 Data Breaches in California Last Year

7/08/13 SacBee

Electronic data breaches put the personal information of 2.5 million Californians at risk in 2012, according to a report released Monday by Attorney General Kamala Harris. State law requires businesses and government agencies to notify consumers when a data breach might have put their personal information at risk.

Economy.

Diverging Debate at Fed on When to End Stimulus

7/10/13 The New York Times

The Federal Reserve Chairman, Ben S. Bernanke, said on Wednesday that the Fed was likely to extend the centerpiece of its campaign to bolster the economy - keeping short-term interest rates close to zero - even as it prepares to wind down another key stimulus program that faces mounting internal opposition.

First Data Releases June 2013 SpendTrend® Analysis

7/10/13 First Data

First Data Corporation, a global leader in electronic commerce and payment processing, today released its First Data SpendTrend® analysis for June 1-28, 2013 compared to June 2-29, 2012. SpendTrend tracks same-store consumer spending by credit, signature debit, PIN debit, EBT, closed-loop prepaid cards and checks at U.S. merchant locations. Year-over-year dollar volume growth was 7.1% in June, compared to May's 6.0% growth.

Credit-Card Delinquency Falls to Lowest Rate Since 1990

7/09/13 WSJ

Americans are keeping up with their credit card bills better than any time in the past two decades, a reflection of both an improving economy and lingering caution among banks and consumers. The delinquency rate on credit cards issued by banks fell to a seasonally adjusted 2.41% at the end of the first quarter of this year from 2.47% three months earlier, according to an American Bankers Association report to be published Tuesday.

Frost & Sullivan: Global online revenues to hit \$4.3 trillion by 2025

7/09/13 Chain Store Age

Global online retail revenues will reach \$4.3 trillion in 2025, accounting for nearly 20% of total retail, according to a new report from Frost & Sullivan. In leading markets such as the United States and the United Kingdom, nearly 25% of retail will be online, the study said.

Claims for Unemployment Benefits Jump 16K

7/11/13 USA Today

The number of Americans seeking unemployment benefits the week ended July 6 jumped a more-than-expected 16,000 to 360,000, the Labor Department said Thursday. The prior week's figure was also revised up and the four-week moving average -- a less volatile measure of claims for jobless aid -- rose 6,000 to 351,750, the weekly Labor report said.

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Payments Press

First Data's Bisignano Hires JPMorgan Colleague Chiarello

7/09/13 Bloomberg

First Data Corp., led by former JPMorgan Chase & Co. (JPM) co-Chief Operating Officer Frank Bisignano, hired the New York-based bank's former Chief Information Officer Guy Chiarello as president. Chiarello, 53, will receive an annual base salary of \$1 million and a bonus of no less than \$2.5 million for 2013, Atlanta-based First Data said today in a regulatory filing. He will also be granted a signing bonus of \$6.5 million that can be clawed back if he quits or is terminated for cause within two years, according to the filing.

JP Morgan Chase, Wells Fargo Post Strong Earnings

7/12/13 LA Times

Analysts looking to big-bank earnings as a sign of the health of the economy got good news Friday as JP Morgan Chase and Wells Fargo, two of the nation's biggest financial institutions, posted good second-quarter earnings, despite worries that the economic recovery is too slow. JP Morgan beat analysts' expectations, reporting a 31% increase in profits, as net income grew to \$6.5 billion, from \$4.96 billion a year ago.

PayPal Discusses How To Create A Seamless Payments World [VIDEO]

7/11/13 Total Payments

PayPal's Elias Ghanem talks at Cards & Payments Middle East about the advantages of a completely unified payments infrastructure in an evolving world of interconnected devices.

Amex Pushes Alerts to Cardholders' Facebook Pages

7/10/13 BTN

In a pioneering social media move that banks could emulate, American Express is offering customers the option of receiving statement information via Facebook. The New York credit card company told its cardholders in an email Tuesday that they can sign up for a service that links their Amex accounts to their Facebook account.

FIS Payments Network Enables Real-time, Mobile-driven Payments for Merchant Customer Exchange (MCX) Members

7/11/13 The Wall Street Journal

Consumers who buy goods and services from MCX members will soon be able to pay using virtually any smartphone or tablet at the point of sale. MCX selected FIS, the world's largest provider of banking and payments technology, to power its new mobile commerce payments network. The relationship with MCX strengthens FIS' cross-industry leadership position

in delivering innovative payments network and mobile-driven financial services solutions to banks and retailers of all sizes.

MasterCard Offers Big Data on Corporate Treasurers' Spending Habits

7/10/13 American Banker

As banks step up their online and mobile banking offerings for corporate customers - recent examples include Deutsche Bank, Citi and TD Bank - corporate treasurers confirm that they need better banking technology and partners like MasterCard are enhancing portal software that banks can white label. In a global study SAP and CFO Research released this week, corporate finance executives said their top priorities include optimizing treasury processes (44%) and upgrading treasury information systems and technology (38%).

TSYS' Merchant Services Segment Achieves EMV® Payment Processing Certification

7/09/13 TSYS

TSYS today announced that it has successfully achieved EMV payment processing certification by card brands Visa, MasterCard, American Express and Discover. EMV is a global standard for secure and convenient payment using bank cards and the EMV payments infrastructure. The majority of regions within the global marketplace are currently in various stages of adoption of this secure payment standard, and the U.S. is working towards beginning the adoption process.

Visa to Launch V.me Global Digital Wallet in Australia Before Xmas

7/09/13 Tech Radar

Australians love online shopping. But with more users connecting to the internet to buy their goods and services, it could mean having to sign up or register with a number of websites, and entering or storing your credit card information with multiple vendors. While PayPal has provided an extra layer of security for online purchases, the truth is that digital wallet choices for Aussies are actually few and far between.

Phoenix Managed Networks Integrates Global eTelecom, Inc. Check Processing for PhoenixGate

7/09/13 Market Wired

Global eTelecom, Inc., a leading electronic check, ACH, and Gift/Loyalty card processor and Phoenix Managed Networks, a premier provider of payments communications, gateway and payment support services have partnered to offer check processing solutions through the PhoenixGate payment gateway.

Braintree Collaborates with Simple, Launches Venmo Touch for Banking Customers

7/10/13 Braintree

Braintree, the global payment platform behind many of the best next-generation online and mobile purchasing experiences-including Hotel Tonight, Fab, Airbnb, Uber and Angry Birds-today announced it will offer Venmo Touch to card issuers and mobile banking providers, delivering one touch mobile payments to their customers. Braintree is collaborating with Simple, a leader in online and mobile banking, to give Simple customers

access to Venmo Touch, extending their seamless mobile experience through to checkout.

Global Payments Inc : Global Payments and ShopKeep POS Announce Agreement to Provide iPad Point-of-Sale System to U.S. Merchants

7/11/13 4-traders

Global Payments Inc. a leader in payment processing services, today announced an agreement with ShopKeep POS, a leader in iPad POS solutions for brick and mortar businesses, to offer an iPad POS solution to Global Payments' merchants throughout the United States. This agreement combines Global Payments' services and distribution network with the ShopKeep POS system.

Cynergy Data Hires Michelle Talbott Daughtry as VP, ISO Sales

7/09/13 Cynergy Data

Cynergy Data has hired Michelle Talbott Daughtry to champion aggressive company growth through ISO partnerships. In her new role, Daughtry will cover the eastern United States sales territory. "Michelle brings 20+ years of tremendous sales experience in the payments arena working with ISO's, Acquirers and Agents, earning sales and service awards along the way," said Tom Della Badia, Cynergy Data's senior vice president for sales.

Ingenico and Mercury Deliver Advanced Payment Solutions to U.S. Based Specialty Retail and Hospitality Merchants

7/09/13 MarketWatch

Ingenico, leading worldwide provider of payment solutions, and Mercury, a leading provider of payment processing, announced their partnership and the certification of Telium2 series traditional fixed POS and smart mobile payment devices. The certification extends to Ingenico's retail-based application (RBA) and its hardware, including iSC Touch 250/350 terminals, iPP350 PIN Pad, and the iSMP, a smart mobile payment device.

Mozido Named Cloud Services Innovator by Pegasystems

7/09/13 GreenSheet

Mozido, a global provider of mobile marketing, payment and commerce solutions, announced today it has been awarded the Pegasystems 2013 "Cloud Innovator of the Year" award. Mozido has developed a suite of mobile services for merchants and consumers using Pegasystems' Build for Change® technology in the cloud.

ACI Worldwide Equips Acquirers with Cost-Effective Merchant Management System

7/09/13 ACI

ACI Worldwide, a leading international provider of banking and payment systems, announced the availability of ACI Acquirer™ 3.10, the latest version of its comprehensive multi-currency merchant management system. As acquirers struggle to keep up with the high development and maintenance costs needed to run their legacy acquiring systems, ACI Acquirer provides a modern system that supports a range of standard operating systems and delivers reusable, SOA-based business services.

Google, Adobe, and Best Buy are Working on an Ecommerce

Web Data Standard

7/10/13 GigaOM

More than two dozen tech firms and ecommerce operators, including IBM, Google, Adobe, Best Buy and Qubit, have banded together to create a standard for managing certain types of website data - particularly the kind that will be valuable to ecommerce outfits. The companies are going public with the "Customer Experience Digital Data Acquisition" standard now, although they submitted the draft standard back in May and are hoping for sign-off by the World Wide Web Consortium in September.

Why I Accepted Executive Director Position for Bitcoin Foundation

7/09/13 Bitcoin Foundation

I am proud to have been associated with the Bitcoin Foundation since its launch just nine short months ago. A nonprofit organization for Bitcoin can add greatly to the political and economic discourse for cryptographic money and monetary freedom. As Executive Director, I welcome the new challenge. The Foundation has never claimed to represent all of Bitcoin nor all of its users because that would be impossible for any organization.

Blackhawk Network Expands Brand Engagement Opportunities Through Social Platforms

7/09/13 PRNewswire

Blackhawk Network, Inc. a leading provider of prepaid and financial payment products, today announced individual commercial agreements with Ifeelgoods, Boomerang and Treater, three leading digital loyalty and social reward platforms. These new partners will be able to leverage Blackhawk's digital platform to deliver e-gift and incentives to consumers - as they want them - creating strong promotions and brand engagement opportunities for Blackhawk's network of retail content partners.

Bitcoin and M-Pesa: Why Money in Kenya has Gone Digital

7/10/13 CoinDesk

When thinking about the future of money, many of us now invariably have thoughts about bitcoin. Where is it going? What role might it play in our financial lives? No matter what you think about it, bitcoin is great for starting a debate on where digital money is heading. Africa is a place where bitcoin has major potential. But what you might not realize is how important electronic money already is to countries there such as Kenya.

NFC-Enabled Beer Keg Automatically Charges Customers and Pours a Drink

7/10/13 Springwise

Presenting their idea at the TechCrunch Disrupt NY event recently, the team behind the device want to help event organizers and hospitality companies to avoid lengthy queues for the bar through an automated system. Attendees are first required to show proof of age and their credit card number, which is loaded onto an NFC wristband. The beer tap features a built-in computer that uses the weather and type of event to recommend one of the beverages available, although users can make their own choice.



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