



Jan. 11th, 2013
Edition #336

New to NewsFilter?



Want to Advertise
in NF?

[Click here to learn
more.](#)

Categories

[Featured](#)

[Mobile Payments](#)

[Regulation & Security](#)

[Economy](#)

[Payments Press](#)

TSG Resources

[TheStrawGroup.com](#)

[PaymentsPulse.com](#)

[TSG Overview](#)

[Transaction Advisory](#)



NEXT GEN DINE
iPad Restaurant Point of Sale
Sell more Merchant Accounts
with this Value Added solution

This Week's NewsFilter...

Fully into the new year now the news is starting to hit the printers again! In Global's quarterly report this week it was revealed that the breach from last April has cost the company \$94 Million so far. Jason Oxman of ETA expects mobile payments to have a breakout year and merchant acquirers make a point to push PCI revenue.

See below in the Payments Press section for a wide breadth of PR as companies are jumping right into 2013 with several new announcements.

Featured

Global Payments Breach Tab: \$94 Million

1/10/13 Bank Info Security

Global Payments Inc. says the data breach it revealed in April 2012 has cost the company \$93.9 million. In a Jan. 8 quarterly report, the Atlanta-based payments processor says expenses associated with the breach, estimated by Global to have affected 1.5 million payment cards in North America, related mainly to investments the company has made to enhance security and ensure compliance with the PCI-DSS.

The New Debit Card Regulations - Initial Effects on Networks & Banks

1/08/13 Kansas City Fed

American consumers are using debit cards more than ever before, affecting how banks and merchants do business and triggering key changes in the payment card industry. At the same time, the growing fees levied on merchants by the payment card industry for processing debit purchases have stirred controversy. Congress and the Justice Department have intervened in the last two years, seeking to advance consumer welfare by promoting competition within the payment card industry.

[Acquisition Multiples & Attrition Summary](#)

[Merchant Aggregation](#)

[Acquirer Strategic Assessment](#)

[TSG MPPS Benefits](#)

[MPPS Example Executive Summary](#)

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

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

This Day in History: 1901 **[Gusher Signals Start of U.S. Oil Industry](#)**

On this day in 1901, a drilling derrick at Spindletop Hill near Beaumont, Texas, produces an enormous gusher of crude oil, coating the landscape for hundreds of feet and signaling the advent of the American oil industry. The geyser was discovered at a depth of over 1,000 feet, flowed at an initial rate of approximately 100,000 barrels a day and took nine days to cap. Following the discovery, petroleum, which until that time had been used in the U.S. primarily as a lubricant and in kerosene for lamps, would become the main fuel source for new inventions such as cars and airplanes; coal-powered forms of transportation including ships and trains would also convert to the liquid fuel.

Crude oil, which became the world's first trillion-dollar industry, is a natural mix of hundreds of different hydrocarbon compounds trapped in underground rock. The hydrocarbons were formed millions of years ago when tiny aquatic plants and

Potential Investor - Acquisition Opportunity

TSG has been retained by a [large Top 30 Acquirer](#) who is looking to purchase selected merchant acquiring enterprises that are in certain merchant verticals and/or possess certain feature/function technology.

- The buyer is interested in ISOs with the following vertical expertise: agent bank channel, association marketing, eCommerce market expertise or other growth oriented vertical sales channel.
- ISOs that have relationships with Independent Software Vendors (ISV) or Business Management Software companies are also of high interest.
- The buyer is also interested in ISOs that have access to or have developed certain technology applications such as prepaid card processing, loyalty/demand generation specialty, or gift card technology
- The buyer will consider a post-closing role(s) for senior executives desiring continuity with the acquirer and its dynamic growth strategy.

If interested in selling all or part of your Payments enterprise/business, please [contact us](#) and let us know the vertical expertise or technology capabilities your company possesses.

Mobile Payments

Groupon Widens Its Mobile Payments Net, Adds Groupon Payments To Its Android App To Rival Square

1/11/13 TechCrunch

Groupon CEO Andrew Mason last year set his company a goal of adding more value and diversity to its bread and butter business in daily deals, and today it took one more step in that direction: Groupon Payments - its dongle-based Square/PayPal Here competitor - has now been added to its Merchants app for Android handsets. Groupon Payments first launched in September but was available only for iOS devices; this new version, which was first soft-launched at the end of December, will give Groupon a much better crack at critical mass for the payments service.

Expect Mobile Payments to Have a Breakout Year

1/08/13 BankThink

2013 will be a breakout year for mobile payments, given the breadth of companies interested in the space. With the possible exception of molded plastics manufacturers that make cards, everyone in the payments value chain wins with mobile. And so for the first time in history, payments companies and technology companies are working together to make mobile phones a primary means of initiating a payment.

Apple Mobile Payment Push Seen Using iPoints

1/10/13 Investors

Apple is revving a loyalty program called iPoints as part of a mobile payment system to be launched this year, says RBC Capital Markets. The loyalty program, says RBC Capital analyst Dan Perlin in a report Thursday, could give Apple an edge over other emerging mobile payments systems from Google; startup Square; eBay's PayPal unit; a joint venture formed by phone companies called ISIS; and MCX, a consortium led by retailers Wal-Mart and Target.

Regulation & Security

Crimped Financials Drive Dramatic New Acquirer Priority

animals died and settled on the bottoms of ancient waterways, creating a thick layer of organic material. [Click here to read more.](#)

on PCI Revenue

1/09/13 Digital Transactions

In sharp contrast to only a year ago, independent sales organizations and other merchant acquirers now rank revenue generation as their number-one goal for programs they offer to help merchants comply with the Payment Card Industry data-security standard (PCI), according to a survey set to be released on Thursday.

Interchange Settlement Not Done, But Clock Is Ticking Anyway For Retailer Surcharges

1/09/13 StorefrontBacktalk

The legal fight over the interchange settlement is still going on, but the deal's first effects will still show up this month. Beginning January 27, retailers will have the option of tacking on a surcharge for payment-card transactions. No, the class-action settlement still hasn't gotten final approval, but the terms take effect 60 days after U.S. District Court Judge John Gleeson gave it preliminary approval in November 2012. (It'll be rolled back if the settlement is ultimately rejected.)

Hacker Jailed Over Subway Store POS Attack

1/09/13 Finextra

A Romanian man has been sentenced to 21 months in prison for his part in a scam that saw the point-of-sale systems of hundreds of US Subway sandwich shops hacked, thousands of cards compromised and millions of dollars stolen. Having pleaded guilty to one count of conspiracy to commit access device fraud in September, Cezar Butu was sentenced this week. His co-conspirator Iulian Dolan will be sentenced in April, having also pleaded guilty and agreeing a seven years term.

Bank Hacking Was the Work of Iranians, Officials Say

1/08/13 The New York Times

The attackers hit one American bank after the next. As in so many previous attacks, dozens of online banking sites slowed, hiccupped or ground to a halt before recovering several minutes later. But there was something disturbingly different about the wave of online attacks on American banks in recent weeks.

Economy.

Record Retail Sales on Smartphones, Tablets Take Greater Ecommerce Share

1/10/13 eMarketer

Mobile devices have become a key component of the digital shopping landscape, with both smartphones and tablets contributing higher levels of ecommerce sales as more consumers adopt the devices and become comfortable shopping on them. Last year, eMarketer estimates, US retail mcommerce sales shot up 81% to nearly \$25 billion. This year, a further increase of 55.7% in sales is expected, and mobile sales will account for 15% of all retail ecommerce.

First Data Releases December 2012 SpendTrend Analysis

1/10/13 First Data

First Data Corporation, a global leader in electronic commerce and payment processing, today released its First Data SpendTrend® analysis for the full month of December 2012 compared to December 2011. SpendTrend tracks same-store consumer spending by credit, signature debit, PIN debit, EBT, closed-loop prepaid cards and checks at U.S. merchant locations. Dollar volume growth was 4%, the lowest monthly growth in three years and a steep slowdown from the typical range between 6% and 10%.

Jobless Claims in U.S. Rise 4,000 to 371,000

1/10/13 MarketWatch

New applications for jobless benefits rose slightly in the first week of 2013, but the level of claims stands little changed over the past few months and is consistent with a modestly improving U.S. labor market. Initial jobless claims climbed by 4,000 to a seasonally adjusted 371,000 in the week ended Jan. 5, the Labor Department said. That's the highest level in one month.

Payments Press

Wells Fargo Profit Jumps 24% in Quarter

1/11/13 DealBook

Wells Fargo on Friday reported \$5.1 billion in profit for the fourth quarter, a 24 percent increase, driven by the bank's lucrative mortgage business. Seizing on low-interest rates that have spurred a flurry of refinancing activity, the San Francisco-based bank again notched record profits. For the last 12 quarters, profits at the bank have increased.

EVO Finds A Partner For Further Expansion

1/07/13 ISO & Agent

Madison Dearborn Partners is buying a minority stake in EVO Payments International LLC and helping to fund the acquirer's international expansion and other growth initiatives. EVO's management team, led by Ray Sidhom, the company's chairman, will continue to own a majority stake in the privately held firm. The companies announced the agreement in a Jan. 7 press release. Financial terms were not disclosed

RFID 'Magic Bracelets' Set to Transform the Disney Theme Park Experience

1/11/13 Travolution

A "transformational" way in which guests are handled at Disney theme parks is due to be unveiled this spring. A vacation management system called MyMagic+ is being introduced for the 30 million people a year who visit Walt Disney World in Orlando. The initiative is part of a broader effort, estimated by analysts to cost between \$800M - \$1B, to make visiting Disney parks less daunting and more amenable to modern consumer behaviour.

W.Net Appoints 2013 Board of Directors

1/10/13 The GreenSheet

Women's Network in Electronic Transactions (W.net) is proud to announce its 2013 Board of Directors. The 2013 Board led by President Patty Bengtson, Group Executive, CFO Merchant Segment, TSYS Acquiring Solutions, will deliver its members a robust array of

opportunities for professional growth so that W.net members will continue to advance in the industry.

Ingenico Partners with Shift4 to Provide Merchants with a Processor-Neutral, Secure P2PE Platform

1/09/13 Ingenico

Ingenico, leading worldwide provider of payment solutions, and Shift4 Corporation, the world's largest independent payment gateway, today announced a partnership that brings Shift4's neutral, merchant-centric gateway solution to Ingenico's open portfolio of Point-to-Point Encryption (P2PE) offerings.

Sterling Payment Technologies Named Best Channel Vendor for Fifth Consecutive Year

1/09/13 Sterling Payment Technologies

Sterling Payment Technologies has been recognized by Business Solutions Magazine's (BSM's) readership as one of the Best Channel Vendors for 2013. This marks the fifth consecutive year that Sterling has received the honor. In this year's survey, Sterling received exceptional marks for service and support, channel friendliness, product innovation, and product reliability.

U.S. Bank Launching "Go Mobile" App in Salt Lake and Portland Offering Cardless Purchases

1/10/13 Daily Finance

New U.S. Bank FlexPerks Visa customers in Salt Lake City, Utah, and Portland, Ore. will be the first U.S. Bank customers invited to try a new mobile payment service called U.S. Bank Go Mobile. The service allows customers to quickly and securely pay for everyday purchases with a wave of their iPhone 4 or iPhone 4S.

CrossCheck Completes Certification on E3 terminal from Heartland Payment Systems

1/08/13 CrossCheck

CrossCheck, a US cheque approval and guarantee company, has completed the development and certification of CrossCheck's check guarantee applications on Heartland Payment Systems' E3 terminal. The applications support authorisations through CrossCheck's host for standard check guarantee and electronic check conversion services.

Amex Slashes 5,400 Jobs in Face of 'Digital Revolution'

1/11/13 Finextra

American Express has outlined plans to cut around 5400 jobs this year, mainly in its travel business, as it seeks to cut costs and restructure to deal with a "digital revolution". The card giant says that some of the losses will be offset, meaning that staffing levels will be between four per cent and six per cent down on the current total of 63,500 at the end of the year. The global business travel unit will take the brunt of the losses as Amex seeks to respond to a world in which customers increasingly use online channels and automated servicing tools.

ICBA Bancard Announces Strategic Alliance with Vantiv, Inc. to Offer Clients Additional Credit Card Processing and Merchant Services

1/07/13 ICBA

ICBA Bancard, the payments services subsidiary of the Independent Community Bankers of America (ICBA), today announced that it is adding Vantiv, Inc., a leading provider of payment processing services and related technology solutions for financial institutions and merchants, to its list of strategic alliances which offer ICBA Bancard clients credit card processing and merchant services.

Vantiv, Inc. : Susquehanna Bank Selects NPC/SCS for Merchant Services

1/10/13 MarketWatch

National Processing Company (NPC), a Vantiv, Inc. subsidiary, and Security Card Services, LLC (SCS) announced today that they have entered into a multi-year agreement with Susquehanna Bank, a premier provider of banking and financial services, as its exclusive provider of merchant debit and credit card processing services. Susquehanna Bank, located throughout the mid-Atlantic region, serves customers and communities at its 261 branch locations.

FTNI Licenses DataTreasury's Patented Technology

1/08/13 FTNI

Financial Transmission Network Inc. ("FTNI"), a provider of industry leading receivables management solutions, today announced a license agreement with Data Treasury providing FTNI full access to DataTreasury Corporation's patents for image capture. The license will allow FTNI to continue with its aggressive growth and ensure there are no barriers to bringing its award-winning ETran and eRemitPro platforms to its chosen markets.

Visa Claims Mobile Payment Service Stifled By Telecom Operators, Refuse to Offer USSD Access

1/10/13 The Economic Times

NEW DELHI: Electronic payment enabler Visa has claimed that its mobile payments service has been stifled by telecom operators in India that have refused to offer USSD access, a secure text message-based interactive system that the company wants to use as the backbone for its mobile banking services.

InComm Buys Digital & Social Gift Card Company Giftango in Undisclosed Deal

1/08/13 The Next Web

InComm, which declined to disclose the financial terms of the deal, says the acquisition of Giftango will enable it to expand its reach into e-commerce gift card sales and distribution through high-volume channels for merchants and product partners. It also helps that Giftango, by its own account, has filed multiple patents related to security, mobile delivery and the "future of digital stored value".

TSG Releases New, Expanded Directory of U.S. Merchant Acquirers - Do You Know the Industry's Top Players?

12/21/12 TSG Metrics

TSG's Directory of U.S. Merchant Acquirers provides profiles on 200 companies that include the country's top tier acquirers, along with supplemental ISOs and technology-centered acquirer's. Company profiles

provide factual insights that include (as available) processor relationships, vertical specializations, dollar volume statistics, transaction counts, active merchant outlet totals, key management, corporate structure, business overview, sponsor banks, and recent announcement links.

[Click here for report preview.](#)

Report price: \$2,900 // [Click here to order](#)



Copyright ©2010 The Strawhecker Group. All Rights Reserved. Unless noted, TSG does not take responsibility for content or opinions. Articles are sourced as appropriate throughout.