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THE STRAWHECKER GROUP
The Trusted Advisor To The Payments Industry



Nov. 15th, 2013
Edition #380

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Trending This Week...

Coin, a new startup, announced its first product - [a credit card-sized device that digitally stores up to eight credit, debit, gift, or membership cards](#), and lets users switch between them using a button on the card. Coin works using a magnetic strip that changes on demand. A small reader scans cards into the mobile app, which then syncs via Bluetooth.

On the heels of Square's announcement last Friday to drop their optional monthly pricing plan, [Square announced this week to eliminate holds on merchant deposits as well as deposit limits on U.S. transactions](#) hoping to differentiate itself from conventional acquirers.

Other highlights for the week include:

- [Yazdian Named Cynergy CEO; Fitzsimmons Joins Equity Investor](#)
- [Debit Cards End Two-Decade Streak of Gains Against Credit](#)
- [Isis Launches Across the U.S.](#)
- [How Google Plans to Transform Mobile Payments](#)

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.

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

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

Interested in other reports too? Check out [TSG Metrics Subscription](#).

[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: 1867 **First Stock ticker Debuts**

On this day in 1867, the first stock ticker is unveiled in New York City. The advent of the ticker ultimately revolutionized the stock market by making up-to-the-minute prices available to investors around the country. Prior to this development, information from the New York Stock Exchange, which has been around since 1792, traveled by mail or messenger.

The ticker was the brainchild of Edward Calahan, who configured a telegraph machine to print stock quotes on streams of paper tape (the same

Featured

Wallet Hack: Can Coin Replace your Credit Cards?

11/14/13 *The Verge*



San Francisco start-up Coin announced its first product - a credit card-sized device that digitally stores up to eight credit, debit, gift, or membership cards, and lets you switch between them by pressing a circular button on its surface. You can then swipe the Coin in any conventional reader or ATM machine as if it were the original card itself. Coin works using a patent-pending magnetic strip that changes on demand.

Square Smooths Way for Merchants, Grows Ecosystem

11/13/13 *The Street*

Square's changing the game again, this time, by waiving the deposit limit hold on transactions entered manually to help merchants get their money even faster, and by expanding the company's ecosystem even further. Square, which charges a flat 2.75% fee per credit card swipe and 3.5% plus a 15 cent fee per manual transaction, Wednesday announced that it would be eliminating holds and deposits on credit card transactions that are manually entered, allowing merchants to get their funds within 1 to 2 business days, the same for swiped transactions.

Yazdian Named Cynergy CEO; Fitzsimmons Joins Equity Investor

11/11/13 *ISO & Agent*

Cynergy Data has named Afshin Yazdian as its new CEO, while current CEO Kim Fitzsimmons will remain with the company as a member of the board and take on a strategic role with Comvest Partners, Cynergy's private equity investor. The changes highlight Cynergy's renewed focus on expansion, the company said in a Nov. 11 press release. "I am so excited about everything that we have worked hard to build over the past few years and believe the company is now well positioned for the future," Fitzsimmons said in the release. "I know Cynergy will thrive with Afshin's experience and vision at the helm."

Debit Cards End Two-Decade Streak of Gains Against Credit

11/12/13 *Bloomberg*

Debit-card spending lost market share to credit cards in the U.S., reversing a trend of more than 20 years, according to the Nilson Report, a payments industry newsletter. Credit cards accounted for 52.82 percent of 2012 spending, an increase from 52.63 percent in 2011, the Carpinteria, California-based firm said yesterday in a statement. Debit-card spending on consumer and commercial goods and services accounted for 47.18 percent in 2012 and 47.37 percent in 2011, according to the statement.

Bitcoin Needs to Scale by a Factor of 1000 to Compete with

paper tape later used in ticker-tape parades). The ticker, which caught on quickly with investors, got its name from the sound its type wheel made.

Calahan worked for the Gold & Stock Telegraph Company, which rented its tickers to brokerage houses and regional exchanges for a fee and then transmitted the latest gold and stock prices to all its machines at the same time. [Click here to read more.](#)

[Visa. Here's How to Do It.](#)

11/12/13 The Washington Post

At the heart of Bitcoin is the blockchain, a global, shared record of every Bitcoin transaction that has ever occurred. It gets its name from the fact that every 10 minutes, on average, the peer-to-peer Bitcoin network adds a new "block" containing records of recent transactions. The blockchain is shared among the numerous computers that participate in the transaction-clearing process known as "mining." To avoid overloading those computers, Bitcoin software currently limits each block to one megabyte in size. The result: right now, the Bitcoin network is only capable of processing around 7 transactions per second.

[The Rush to Coin Virtual Money With Real Value](#)

11/11/13 Dealbook

If cash is king, virtual cash may be the crown prince in waiting. Programmers around the world have been churning out new digital currencies that try to improve on the concept of bitcoin, the hot but controversial virtual money that has swept the Internet. As questions still swirl around bitcoin's legality, many technology entrepreneurs are trying to sidestep the currency's pitfalls by devising new ways to make payments in a cashless future.



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Global eTelecom, Inc.
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[Mobile Payments](#)

[Isis, The Mobile Payments Initiative From AT&T, Verizon & T-Mobile, Launches Across The U.S.](#)

11/14/13 TechCrunch

Mobile wallet platform Isis, backed by AT&T, T-Mobile and Verizon here in the U.S., is kicking off its nationwide launch today, as previously planned. Alongside the launch, an updated version of the Isis mobile wallet application also hit the Google Play Store yesterday, with separate versions designed for each carrier's supported smartphones. Isis says that today there are over 40 supported smartphones that work with the technology, and the carriers will give out free Isis-ready SIM cards to those whose phones are NFC-enabled and on the list.

[How Google Plans to Transform Mobile Payments](#)

11/13/13 StorefrontBacktalk

Do consumers want credit card information stored on a SIM card controlled by a wireless carrier, or are they comfortable with a new NFC technology as an alternative? Google has positioned the technology necessary to make the latter option a reality. With last week's unveiling of the latest updates to the Android operating system, which is now powered by Google's KitKat on Nexus 5 smartphones, the tech giant has drawn the line in the sand in a quest for dominance in the mobile payments marketplace.

[Should Retailers Begin Accepting Bitcoins In-Store and on Mobile](#)

11/15/13 Mobile Commerce Daily

While Bitcoin is still a new and relatively untested payment network, it does have the potential to provide certain benefits in mobile such as an

easier method of transaction for consumers and lower transaction costs for retailers. The growth of Bitcoins, which now has a Google Glass payments app, reflects how mobile is driving alternative payment solutions and challenging retailers to keep up with how payments are evolving. As Bitcoin becomes a more legitimate currency, retailers are considering whether to accept Bitcoin on a mobile site and application or via the Bitcoin mobile wallet in-store.

McDonald's Rolls Out Remote Mobile Order and Payment System Across France

11/14/13 Finextra

Fast food chain McDonald's is to extend a mobile ordering and PayPal payment app programme across its French network following a successful trial at 80 establishments. Using the app, consumers can place an order remotely and pick up their purchase at a dedicated counter, skipping the line in the main food hall and reducing waiting time.

Regulation & Security

Despite Signs of Progress, Small Merchants Still Lag on Risk Assessment And PCI

11/12/13 Digital Transactions

Coming on the heels of the release last week by the PCI Security Standards Council of a revised Payment Card Industry data-security standard (PCI) is a report Tuesday that shows how much progress small merchants are making in locking down card data-and how painfully slow much of that progress has been. Independent sales organizations and other acquirers can speed things up by helping distracted business owners with compliance, the report adds.

Enterprise Data Breaches Often Left Undisclosed, Malware Analysts Say

11/11/13 ZDNet

Over half of data breaches suffered by U.S. companies go undisclosed, according to enterprise malware analysts. A new ThreatTrack Security survey found that 57 percent of malware analysts working on enterprise-related data breaches have addressed security problems that U.S. firms failed to disclose. Due to company dishonesty – perhaps in order to save reputations or avoid difficult questions by customers and investors – it may be that data breaches are more widespread than first believed, and businesses are even further behind than thought in the fight against cyberattackers.

NACHA Invites Comments on Proposed Rules to Improve ACH Network Quality

11/12/13 PRWeb

The Electronic Payments Association today publically issued two proposed rules that are complementary approaches to improving ACH Network quality by reducing the incidence of exceptions. As components of NACHA's Risk Management Strategy, the proposed rules are intended to protect the safety, security and integrity of the ACH Network and the consumers, governments, businesses and financial institutions that move their money via ACH.



Economy

U.S. Jobless Claims Fall Slightly to 339,000

11/14/13 MarketWatch

The number of people who filed new applications last week to receive unemployment benefits fell for a fifth week in a row, but they remained above end-of-summer levels. Initial jobless claims dropped by 2,000 to a seasonally adjusted 339,000 in the seven days ended Nov. 9, the Labor Department said Thursday. Five states, including California and Virginia, used estimates because of paperwork delays caused by the Veterans Day holiday. These estimates tend to be very reliable based on past records, according to Labor officials.

Gift Buyers Will Spend 4% More on Gift Cards This Year

11/13/13 Internet Retailer

Gift cards are a perennial favorite of gift givers, and 80.6% of consumers say they will buy at least one this holiday shopping season, according to the National Retail Federation's Gift Card Spending Survey. 12.7% of shoppers say they will buy gift cards online. The retail trade group ran the online survey of more than 6,200 consumers during the first week of November. It found that consumers will spend an average of \$163.16 on gift cards this year, up about 4% from \$156.86 they spent a year ago. Spending per gift card will average \$45.16, up 3.2% from \$43.75 a year ago.

U.S. Small Businesses Take Cues from Major Retailers With Early Holiday Promotions

11/14/13 4-Traders

A new survey of small business owners released today from Ink from Chase shows that like major retailers, small business owners are preparing for the holiday rush even earlier this year with more than one-third (34 percent) planning promotions beginning on or before Thanksgiving Day. To gear up, 47 percent of small business owners are increasing inventory or marketing, while 22 percent plan to enhance their social media presence.

Payments Press

TSYS And Womply Providing Big Data

11/13/13 ISO & Agent

TSYS and Womply, a big-data startup, are nearing their goal of providing Womply's Insights platform to 10,000 of TSYS' clients by the end of the year. TSYS, or Total Systems Services, already has 8,500 merchants using the technology, branded as TSYS Merchant Insights, after offering it for several months, says Craig Ludwig, director of product management at TSYS Merchant Solutions.

Heartland Payment Systems® to Offer American Express® Merchant Financing to Small Businesses

11/12/13 Heartland Payment Systems

Heartland Payment Systems, one of the nation's largest payment processors and a leading provider of business solutions, announced today that it will be the first processor to distribute American Express® Merchant Financing. Small businesses will have access to highly price-competitive alternative financing solutions and be able to obtain loans based on their annual card processing volume.

Merchant Warehouse partners with Keystroke POS

11/13/13 The Green Sheet

Merchant Warehouse®, a leading innovator of payment technologies and merchant account services, today announced an expanded partnership with Specialized Business Solutions (SBS) with the integration of Keystroke POS, a point-of-sale (POS) solution that enables merchants to manage and control inventory through advanced reporting capabilities. Now combined with Merchant Warehouse's Genius™ Customer Engagement Platform™, Keystroke can deliver a more deeply unified, reliable solution with stronger PCI compliance.

Discover Financial Services Announces an Alliance with Smartlink Network to Expand Acceptance in Vietnam

11/14/13 BusinessWire

Discover Financial Services and Smartlink Card., JSC, a leading domestic payments network in Vietnam, today announced a strategic alliance that will give Discover and Diners Club International (DCI) cardholders the ability to use their cards at more than 16,000 ATMs in Vietnam via a network of local commercial banks. The long-term agreement will further increase transaction volume on the international domestic payment network while giving Discover and DCI cardholders more consumer cash access points in Vietnam.

First Data and Chartway Federal Credit Union Enter Merchant Processing Partnership

11/13/13 First Data

First Data Corporation, a global leader in electronic commerce and payment processing, and Chartway Federal Credit Union, today announced the companies recently finalized a long-term strategic merchant services partnership. Under terms of the agreement, First Data will partner with Chartway Federal Credit Union to distribute payment processing services to the credit union's members throughout their client-facing channels, including its 59 branch network spanning 10 states.

New Survey from American Express and CFO Research Reveals Predictions for New Technology Investments

11/14/13 Amex

Data - and how it's managed - is becoming increasingly important to how businesses succeed in today's economy. More and more, companies use financial and operational data to drive business planning, discover new market opportunities, improve administrative processes, and other vital activities. In a recent survey from American Express Company and CFO Research, Supporting Growth with New Technologies, 96% of U.S. senior finance executives agree they will need to extract much greater value from financial and operating data in 2014.

ProPay Expands Global Ecommerce Solution

11/12/13 TSYS

ProPay, a TSYS company and industry leader in merchant services, payment security and mobile payments, today announced the launch of Shop in Your Currency™, a multi-currency processing solution powered by Planet Payment, for ProPay merchants. Shop in Your Currency empowers ProPay's e-commerce merchants to more effectively target foreign markets and grow international sales. With the solution, merchants can localize their offering to allow international customers to view pricing and pay in their home currencies.

Moneris Launches PAYD PRO, Canada's First Debit-Enabled Mobile Payment Service

11/10/13 Moneris

Moneris Solutions Corporation, Canada's largest debit and credit card processor, today announced the launch of PAYD PRO, Canada's first

debit-enabled mobile payment solution using chip & PIN technology to process payments on the go. PAYD PRO expands Moneris' small business payment offerings, giving merchants an opportunity to accept debit and credit card payments on the go through chip and PIN, magstripe or contactless technology using their smartphone device.

YESpay and PMC Announce Strategic Partnership

11/14/13 PRWeb

London, 14th November '13: The leading payment solutions provider YESpay and retail technology specialist PMC today announced a strategic partnership aimed at delivering mobile solutions to retailers that require secure, PCI-compliant payments. With YESpay mobile payments solution built-in, PMC will ship its recently announced Store Enabler mobile solution.

YapStone Announces Key Operations Exec Hires with Extensive Payment Industry Experience

11/14/13 PRWeb

YapStone, a leading global provider of web and mobile payment solutions, has appointed Colleen Lindow as Vice President, Payment Operations and Christopher McLaughlin-Brooks as Vice President, Technical Operations. The two key executive appointments highlight YapStone's rapid growth in the online and mobile payment space with new operations positions.

PaySpan Appoints Payments Industry Veteran Cheryl King as CFO to Support Continued Expansion

11/12/13 Market Wired

PaySpan®, Inc., the leading provider of healthcare reimbursement and payment automation, today announced that Cheryl King has joined the company as CFO. King will be providing strategic guidance in support of the company's ongoing growth and expansion strategy.

Fifth Third Bank Introduces Stand Up To Cancer® Credit Card To Drive Additional Funding for Cancer Research

11/12/13 Fifth Third Bank

Fifth Third Bank announces the launch of the Fifth Third Stand Up To Cancer (SU2C) Credit Card. SU2C is a groundbreaking initiative that supports scientific collaboration to accelerate innovative cancer research and bring new therapies to patients quickly. Fifth Third Bank recently launched an SU2C Debit MasterCard in June 2013 and is the only card issuer to offer the SU2C payment cards.



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