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THE STRAWHECKER GROUP
The Trusted Advisor To The Payments Industry



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Trending This Week...

This week was host to the biggest week in payments - TRANSACT 14! This year's show was the largest in ETA's history: containing a record number of exhibitors, the highest show registration, the launch site for a hundred new products, and an education center with over seventy sessions. Needless to say, TRANSACT was the place to be this week for our industry!

To help recap some of the news from the week, we have replaced the Featured section with a TRANSACT round-up. The Payments Press section also contains many more releases that came out of the show this week.

Be sure to check out TSG's news from the week, included the [naming of Mike Strawhecker as ETA Member of the Year](#), an [infographic focused on the best steps acquirers can take to minimize the risk of a data breach](#), the [surpassing of 2M merchants in our database](#), and the [joint release with ETA of the Economic Indicators Report](#) with a special TRANSACT introduction.

See you in San Francisco for TRANSACT 15!

TRANSACT 14 Round-Up



Mike Strawhecker Named ETA Member of the Year

4/10/14 PaymentsPulse

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[Use a SmartPhone to Buy Things!](#)

This Day in History: 1814 Napoleon exiled to Elba

On this day in 1814, Napoleon Bonaparte, emperor of France and one of the greatest military leaders in history, abdicates the throne, and, in the Treaty of Fontainebleau, is banished to the Mediterranean island of Elba.

The future emperor was born in Ajaccio, Corsica, on August 15, 1769. After attending military school, he fought during the French Revolution of 1789 and rapidly rose through the military ranks, leading French troops in a number of successful

Mike Strawhecker of The Strawhecker Group (TSG) has been awarded the Electronic Transactions Association's (ETA) prestigious Member of the Year award. This award is part of the 2014 ETA Star Awards, which recognize individuals and companies that



have made a significant difference in the payments industry through innovation, business practices or contributions to the association.

Pictured L to R: Curt Hensley (Star Awards Committee Chairman & CEO Impact Recruiting), Kim Fitzsimmons (President of the ETA Board of Directors and Board of Director Advisor, Cynergy Data), Mike Strawhecker, Jason Oxman (CEO of ETA)

INFOGRAPHIC: The Top Ten Ways Acquirers Can Block the Breach

4/08/14 TSG

The Strawhecker Group (TSG), in coordination with the Electronic Transactions Association (ETA) for the benefit of TRANSACT 14 attendees, has developed a new infographic entitled The Top 10 Ways Acquirers Can Block the Breach. This communication piece illustrates the best steps acquirers can take to minimize the risk of a payment card data breach, both internally and for their merchant clients.

[Click here to read the infographic.](#)

BIG DATA: The Strawhecker Group's Database Surpasses Two Million Merchants

4/09/14 PaymentsPulse

TSG, is pleased to announce, during the Electronic Transactions Association's TRANSACT 14 event, the continued growth of its merchant database, which now exceeds two million merchants and is estimated to be over twenty percent of the U.S. small and midsize business market. MPPS is comprised of a database populated with merchant-level data from eighteen different companies that are top 60 U.S. merchant acquirers, several of which fall within the top 20.

ETA & TSG Release Q1 2014 U.S. Economic Indicators Report with Special TRANSACT 14 Introduction

4/02/14 TSG

The Electronic Transactions Association (ETA), the trade association of the global electronic payments industry, and The Strawhecker Group (TSG), a management consulting company focused on the global payments industry, have released the U.S. Economic Indicators Report for the first quarter of 2014.

Be sure and check out the special introduction: *What is Average? A look at market rates around the U.S.*

[Click here to read the report.](#)

This report is a compilation and analysis of US economic data. Its intent is to provide a deeper understanding of the US economy and therefore, the ability for ETA members to better assess their position in the current economic climate.

Voices from Transact 14

4/10/14 The GreenSheet

campaigns throughout Europe in the late 1700s. By 1799, he had established himself at the top of a military dictatorship. In 1804, he became emperor of France and continued to consolidate power through his military campaigns, so that by 1810 much of Europe came under his rule. Although Napoleon developed a reputation for being power-hungry and insecure, he is also credited with enacting a series of important political and social reforms that had a lasting impact on European society, including judiciary systems, constitutions, voting rights for all men and the end of feudalism. Additionally, he supported education, science and literature. His Code Napoleon, which codified key freedoms gained during the French Revolution, such as religious tolerance, remains the foundation of French civil law.

[Click here to read more.](#)

Transact 14: Powered by ETA wraps up today, April 10, at the Mandalay Bay Resort and Casino in Las Vegas. As always, the highlight of the Electronic Transactions Association's annual event were the people that The Green Sheet met. Here are a few of the payment professionals that GS had the honor of meeting at this year's show, and what they were here to accomplish.

ISOs Needed In Brave New World Of Payments, Speakers Say

4/10/14 ISO & Agent

A new order is emerging in the payments industry, and ISOs have a place in it. That's the verdict of three keynote speakers here at Transact 14, the 24-year-old Electronic Transactions Association trade show that got a new name this year. The keynoters agreed that mobile devices, sophisticated point of sale systems and a broad approach to commerce are replacing plastic cards, payments terminals and unadorned transaction processing.

Visa Exec Says Even Safer Chip-and-PIN Card to Make U.S. Debut

4/10/14 Orlando Business Journal

Visa executive Bill Sheedy said Wednesday that the payments company anticipates an even safer chip-and-PIN card will make its debut in the United States. The added security will come from what the industry calls "tokenization," which promises to provide an added layer of protection to transactions using such cards.

Shift to Chip and PIN Doesn't Solve All for Retail

4/09/14 CNBC



Protecting and securing payment systems and consumer data is a never-ending task for all parties in a payment network, and it's also a moving target. At the Electronic Transactions Association's TRANSACT conference in Las Vegas, credit card companies, banks, payment processors, regulators and retailers all have the same fear: as soon as a new system or firewall is put in place, hackers have already figured out how to bypass it.

Google Exec Reiterates Commitment to Mobile Payments

4/09/14 CNET

It's been a bumpy ride for Google Wallet since its launch nearly three years ago, but in spite of the obstacles the company has faced, Google head of payments Ariel Bardin says the company isn't giving up on Wallet or the mobile payments market. "We have been doing this for a while," he said during a presentation Wednesday at the Electronic Transactions Association's Transact 2014 tradeshow here. "And we'll continue to keep doing this for a long while."

Apple and Google Seen Flexing Muscles in Mobile Payments

4/09/14 San Francisco Business Times

As some of the nation's largest companies seek to stake out their turf in the lucrative payments business, Apple and Google are in the best position for mobile payments since they own the two dominant operating systems for smartphones, according to payment technology executives speaking at an industry conference in Las Vegas on Tuesday afternoon.

Mobile Commerce Efforts Vie for Acquirer Attention

4/09/14 Digital Transactions

Selling merchants solely on the price and availability of a diverse set of payment processing methods won't be enough in the next year or so as merchants increasingly turn to those who can help them grow their businesses. That's the message proponents of mobile marketing and advertising services are touting at Transact 14, the annual conference of the Electronic Transactions Association, held this year in Las Vegas. Merchants want ways to help grow their businesses, and mobile commerce service could do that.



Mobile Payments

Why You Should Care About Bitcoin: Digital Currency is Here to Stay

4/09/14 The Guardian

No, you can't open a Bitcoin bank account at JP Morgan Chase just yet. And you certainly can't pay your IRS tax bill in bitcoins: the taxman views the fledgling cyber-currency as an asset, not a means of exchange. We can't hold it in our hands, use it to fill up our cars with gas, or do much but grab the occasional sushi dinner in places like San Francisco, or shop online at the handful of merchants that accept bitcoins.

A Sale or IPO or More Funding? Here's What Might Be Next for Square

4/09/14 Recode

Of all the many high-profile Internet companies, perhaps none has attracted more speculation than Square. It makes sense. The payments company has a well-known CEO and founder in tech star Jack Dorsey. It has raised a giant sum of money - more than \$200 million in equity financing - from big names, including Sequoia Capital, Visa and Starbucks. It has an ambitious and perhaps overreaching plan to disrupt a massive industry of powerful old-school players like First Data to younger payments giants such as PayPal.

PayPal CTO on Payments, The 'Uber Experience,' and Paying with Wearable Devices

4/07/14 VB

Paying for your coffee with your smartphone is so old-school. So, like, 2010. Today, PayPal is working on paying with wearable devices like activity trackers, smartwatches, or possibly even smart specs like Google Glass. That's in the future, though. Right now, PayPal is in a dogfight for the future of payments. And it's a dogfight with the worst of combatants - huge, well-funded, popular companies like Google, Apple, and Square.

Bitcoin Falls Below The \$400 Mark, Down More Than 60% From Its All-Time High

4/10/14 TechCrunch

Bitcoin reached another milestone today, with the cryptocurrency falling below the \$400 per-coin mark. Bitcoin sold for over \$1,100 inside of the last 52 weeks. The price correction was driven by news from China, as it often has been. Fresh rumors of a government crackdown on the currency in the country, which could blunt demand and adoption, and therefore impair its value, sent the price of bitcoin down a quick 10 percent. It has since continued to slip.

Why a Currency Based on an Internet Joke Should Be Taken Seriously

4/10/14 BTN

More companies are accepting "altcoins" such as Litecoin and Dogecoin in addition to the more common Bitcoin, showing that even silly currencies based on Internet memes can open merchants to new markets of consumers. "There was enthusiasm in the community and we were getting a lot of requests from active members of the community to start accepting [Litecoin and Dogecoin]," says Tyler Roye, co-founder and CEO of eGifter, a provider of mobile gift cards.



Regulation & Security

'Heartbleed' Computer Bug Threat Spreads to Firewalls and Beyond

4/10/14 Reuters

Hackers could crack email systems, security firewalls and possibly mobile phones through the "Heartbleed" computer bug, according to security experts who warned on Thursday that the risks extended beyond just Internet Web servers. The widespread bug surfaced late on Monday, when it was disclosed that a pernicious flaw in a widely used Web encryption program known as OpenSSL opened hundreds of thousands of websites to data theft.

The Heartbleed Hit List: The Passwords You Need to Change Right Now

4/09/14 Mashable

An encryption flaw called the Heartbleed bug is already being called one of the biggest security threats the Internet has ever seen. The bug has affected many popular websites and services - ones you might use every day, like Gmail and Facebook - and could have quietly exposed your sensitive account information (such as passwords and credit card numbers) over the past two years. But it hasn't always been clear which sites have been affected. Mashable reached out some of the most popular social, email, banking and commerce sites on the web. We've rounded up their responses below.

Neiman Marcus Tied to Heartland Breach?

4/10/14 Bank Info Security

In response to recent news reports, fraud analysts say it's no stretch to assume the Neiman Marcus data breach may have ties to the same

criminal group responsible for the 2008 network attack on Heartland Payments Systems Inc. and other entities. That's because the malware used to capture and steal card data in most of these attacks have been traced to hackers based in Russia and other parts of Eastern Europe.

Cyber Crooks Set Data Breach Record in 2013 According to Symantec Report

4/08/14 CDN

The year 2013 was a record year both in terms of the total number of data breaches and the total number of customer records that were compromised, according to Symntec Corp. The security vendor's latest Internet Security Threat Report found a 62 per cent rise in data breaches for 2013 over 2012 for a total of 253 reported breaches. Symantec said at least eight breaches exposed more than 10 million identities each, compared to just one breach of that size in 2012.

Economy

U.S. Jobless Claims Fall to 7-Year Low

4/10/14 The New York Times

The number of Americans filing new claims for unemployment benefits fell last week to the lowest level in seven years, a new sign the labor market is rebounding from a winter-related soft spell. Initial claims for jobless benefits, a measure of layoffs, fell 32,000 to a seasonally adjusted 300,000 in the week ended April 5. That was the largest decline in claims since late 2012, pushing the overall level down to lows last seen in May 2007. Economists had forecast 320,000 new claims for last week.

First Data Releases March 2014 SpendTrend® Analysis

4/10/14 First Data

First Data Corporation, the global leader in payment technology and services solutions, today released its First Data SpendTrend® analysis for March 1, 2014, through March 31, 2014, compared to March 2, 2013, through April 1, 2013. SpendTrend tracks same-store point-of-sale data by credit, signature debit, PIN debit, EBT, closed-loop prepaid cards and checks from nearly four million U.S. merchant locations serviced by First Data.

Total US Retail Sales Top \$4.5 Trillion in 2013, Outpace GDP Growth

4/10/14 eMarketer

This is eMarketer's first-ever benchmark of total retail and retail store sales, which are based on a multimodel analysis of 169 data points that eMarketer gathered from 47 research firms and government institutions. The forecast separates retail ecommerce sales-including all purchases made on desktop and laptop computers, tablets and mobile phones-and noncommerce sales, which mostly comprise brick-and-mortar retail purchases.



Payments Press

Sam's Club Boots Discover, Partners with MasterCard

4/09/14 Fierce Retail

Discover is out and MasterCard is in at Sam's Club. The retailer has finalized a multi-year agreement with GE Capital Retail Bank to manage its co-branded credit cards in the U.S. and Puerto Rico. And so ends Sam's Club's 10-year relationship with Discover Financial Services, which had been managing the co-branded cards for both Sam's Club and Walmart.

Global Payments On A Direct-Sell Shift As ISO Support Wanes

4/10/14 PYMNTS

Merchant processor Global Payments scored some big fiscal third-quarter gains, driven by across-the-board 10 percent boosts in international-sector revenues. The company also is making strides in North America, where the company is shifting strategies toward direct sales, which will result independent sales organizations (ISOs) assuming a lesser role in affecting the company's bottom line.

VeriFone POS Software Platform Now Offered by 100 ISOs and Acquirers

4/09/14 VeriFone

VeriFone Systems, Inc. announced that its network of channel partners offering GlobalBay Merchant to small and medium businesses (SMBs) has expanded to 100 ISOs and acquirers. Thirty of the partners are included in The Nilson Report's list of the top ISOs in the U.S. "The rapid expansion in the number of partners offering GlobalBay Merchant is due to increasing competition from merchant-direct mPOS solutions, which do not come with the expertise and support demanded by merchants."

Total Merchant Services Unveils Groovv - A New Portfolio of Small Business Solutions

4/08/14 Total Merchant Services

Groovv API is a powerful, reliable and secure integration platform that offers third party developers a way to integrate payments, customer data, and online marketing services (i.e. Groovv Offers). Merchants will have real-time access to their data presented in a way that is easily consumable and aids in managing their business more effectively.

Leaf Unveils Payment Apps, the First POS-Based Marketplace Connecting Payment Providers with Merchants

4/07/14 Herald Online

Leaf, creator of a mobile Point of Sale (POS) tablet specifically designed for commerce, today announced the introduction of Payment Apps, a first-of-its-kind marketplace through which merchant acquirers directly market their payment processing services to merchants using the Leaf POS system. The Payment Apps marketplace is seamlessly integrated into the Leaf POS platform, enhancing visibility, creating branding opportunities for processors, and providing merchants with more insight into their processing options.

TransFirst & CRi Develop Game Changing Mobile POS Solution

4/08/14 CRi

CRi, a premier provider of professional technology services, specializing in mobile app design and development, has recently aligned with TransFirst®, a leading provider of transaction processing services and payment enabling technologies, to develop and launch a Mobile Point of Sale Solution (mPOS) for one of the leading global suppliers of office products and services.

Pivotal Payments Selects Ingenico to Launch its FlexPoint Integrated POS Solutions in Canada

4/10/14 Pivotal Payments

Pivotal Payments, a leading provider of merchant services and global payment processing solutions and Ingenico, a leading worldwide provider of payment solutions, today announced that Pivotal Payments has successfully certified its proprietary FlexPoint™ integrated software to the Ingenico Telium iCT series terminals for its Canadian processing platform.

TSYS Partners with Oversight to Strengthen Corporate Card Program Auditing

4/07/14 TSYS

TSYS announced an agreement with Oversight Systems to provide an automated monitoring and analysis solution to help corporate purchasing professionals detect and eliminate fraud, policy misuse, and waste within their card programs. Oversight Insights On Demand - Powered by TSYS is an innovative solution that will facilitate transparency, accountability and growth of card programs for corporate customers.

Heartland Payment Systems Acquires MCS Software, Signaling Ongoing Growth of Heartland School Solutions Division

4/10/14 Heartland

Heartland Payment Systems, one of the nation's largest payments processors, has acquired MCS Software, an innovative provider of school foodservice point-of-sale (POS), back office and online payment solutions for more than 4,000 K-12 schools nationwide. The acquisition of Madisonville, Louisiana-based MCS Software marks the continuing expansion of Heartland's market-leading position in the growing K-12 school nutrition and POS technology industry.

ROAM Expands its mPOS Channel Strategy in the U.S. through Partnership with EVO Payments International

4/08/14 Roam

ROAM, an Ingenico company and the leading mobile commerce platform provider, announced today that EVO Payments International (EVO), a leading payment service provider operating in the United States, Canada and Europe, will leverage ROAM's platform to extend its full range of electronic payment service offerings to include mobile point of sale (mPOS).

Shopify Cuts Credit Card Processing Fees To Take On Square

4/07/14 Fast Company

When Shopify, an e-commerce platform that helps merchants establish stores online, debuted a point-of-sale register last summer, it took a big leap into the world of brick-and-mortar stores. Its move to offline shopping was also a first step toward directly taking on payments company Square. On Monday, Shopify followed up by announcing it has cut credit card processing fees for merchants.

Apriva To Preview AprivaPay Plus v3.0 at TRANSACT 14

4/07/14 Apriva

Apriva, the leading provider of end-to-end wireless transactions, gateway services, and secure information solutions announced that it will preview its next-generation AprivaPay™ Plus mobile payment acceptance software

at the TRANSACT 14 Conference and Expo, scheduled for April 8-10 at the Mandalay Bay Resort and Casino in Las Vegas. Apriva will be located at booth 612 during the exhibition.

Clarent's API Seamlessly Integrates Payments with Software Applications

4/09/14 Heartland

Clarent announced that software application developers now have access to a full service payments platform that allows them to provide seamless payment transactions to their customers. Clarent's developer-friendly API integrates payment processing into any software program or application, resulting in a seamless user experience for the consumer.

CardFlight Launches SwipeSimple, the First Mobile POS Offering that Provides Free Co-branding

4/08/14 PR Newswire

CardFlight, the leading provider of mobile point of sale (POS) technology, announced at TRANSACT 14 in Las Vegas, NV today the launch of SwipeSimple, a turn-key solution that empowers credit card processors, merchant service providers, ISOs, agents and other resellers to offer a mobile POS product to their merchants.

Samir Zabaneh Joins Heartland Payment Systems® as CFO

4/07/14 PR Web

Samir Zabaneh has joined Heartland Payment Systems, one of the nation's largest payment processors and a leading provider of merchant business solutions, as CFO. He will be responsible for providing overall strategic and operational direction of the company's finance department including reporting, treasury, taxation and corporate planning and development, as well as investor relations.

eCard Transactions and Bluefin Partner for PayConex P2PE

4/09/14 Bluefin

eCard Transactions, the leading provider of recovery solutions for recurring transactions, and financial technology leader Bluefin Payment Systems, have announced a partnership to bring Bluefin's PayConex P2PE solution to eCard Transactions clients.

Powa Technologies Introduces PowaPOS, an End-to-End Platform that Redefines the Future of Mobile and Tablet-Based POS

4/08/14 BusinessWire

On the heels of its widely acclaimed introduction of PowaTag and tremendous retailer approval of its 360-degree commerce strategy, Powa Technologies continues its rollout of groundbreaking retail solutions with the introduction of PowaPOS, the next generation in retail Point of Sale. PowaPOS is the physical retail component of the company's vision of enabling commerce online, offline, and everywhere.

PayAnywhere Introduces First Ever Free Tablet Payment Solution

4/08/14 PRWeb

PayAnywhere®, the professional grade mobile point of sale solution from North American Bancard, today announced PayAnywhere Storefront, its first ever free touchscreen tablet and stand with built-in credit card reader at the ETA TRANSACT conference in Las Vegas. PayAnywhere Storefront provides new simple pricing, industry-leading security protection and advanced business analytics not previously available to

merchants in one mobile payments solution.

WorldPay, ZNAP Partner to Enable Multichannel Commerce

4/09/14 Mobile Payments Today

Payment processor WorldPay and ZNAP, a mobile business platform, have agreed to a global partnership which will enable multichannel commerce for new and existing businesses. The joint offering has already been deployed by the Rugby Football Union at Twickenham Stadium in the U.K., WorldPay said in a press release.

NACHA Rolls Out Opt-In Programme for Bill Payment Exception Mitigation

4/07/14 Finextra

Through the Bill Payment Exception (BPE) Mitigation Opt-in Program, NACHA seeks to improve the reliability of online banking bill payment channels, reduce costs and checks issued in association with bill payment exceptions, and improve overall efficiencies for billers and bill payment originators. Bill payment exceptions cost the industry nearly \$800 million per year, according to an earlier study commissioned by NACHA.

JetPay® Payment Services Hires Payments Expert Nancy Ann Barnhart As Chief Information Officer

4/08/14 Yahoo! Finance

JetPay® Corporation is pleased to announce on behalf of its subsidiary, JetPay Payment Services, the hiring of Nancy Ann Barnhart as Chief Information Officer. Ms. Barnhart brings more than 20 years of experience in the payments industry to her new position, most recently at American Express. Ms. Barnhart began her payments industry career at Gensar Technologies, later known as Chase Paymentech.

FIS GenNOW Helps Financial Institutions Reach Entrepreneurs, Mobile and Young Consumers

4/10/14 FIS

Attracting and retaining young and mobile consumers is a highly competitive environment, particularly for financial institutions. FIS, announced a new solution that allows banks and credit unions to compete effectively with alternative financial services. While often currently overlooked, young, mobile and entrepreneurial customers provide a large and growing market, as well as the opportunity to build long-term banking relationships as Generations X and Y become the main earners in the U.S. economy.

Royal Canadian Mint Puts Mintchip Digital Currency Up for Sale

4/08/14 NFC World

The Royal Canadian Mint is halting development of its MintChip digital currency and is now looking to sell the business. The company has been piloting the currency in the cafeterias at its Ottawa and Winnipeg facilities since early this year, using NFC to enable employees to make purchases with the Bitcoin alternative. "The Royal Canadian Mint has made great progress in advancing the MintChip concept as an innovative, cost effective and secure digital cash solution," the company's Christine Aquino told NFC World.



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