

NewsFilter

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THE STRAWHECKER GROUP
The Trusted Advisor To The Payments Industry



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The Strawhecker Group, a media sponsor, will be present at the upcoming **Money 2020** conference! [Email us](#) to set up a meeting to see how TSG can help you succeed!

Trending This Week...

Following speculation last week, [Vista Equity Partners announced Monday that they will acquire TransFirst](#). This acquisition will allow TransFirst to enter a new phase of growth.

Yesterday, Apple hosted another event and announced that [Apple Pay will be released on Monday](#) with iOS 8.1 for use on iPhone 6 and 6+. Ahead of launch Apple, has [enlisted more than 500 new banks](#) to support Apple Pay by early next year and have added to the list of merchants accepting Apple Pay.

Other highlights include:

- [TSG Commentary from the 2014 SLF](#)
- [PayPal: Apple Pay Opportunity 'Remains to Be Seen'](#)
- [Sears Owned Kmart Discloses Data Breach](#)
- [Spending Slows in September Following Steady Summer Growth](#)
- [Apple & Samsung Join the ETA](#)

NEW TSG REPORT: *Alternative Payments Players*

Learn all about [Apple Pay](#), [Amazon Local Register](#), and [Softcard!](#)

What is this report?

This 39 page report provides a detailed look at 28 companies (priced at \$77 per company) that provide a variety of products and services that enable electronic payments. These companies

[Transaction Advisory](#)

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[Merchant Aggregation](#)

[Acquirer Strategic Assessment](#)

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[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 SmartPhone to Buy Things!](#)

[The Top Ten Ways Acquirers Can Block the Breach](#)

[Analysis: Vantiv's Acquisition of Mercury](#)

This Day in History: 1931 Capone Goes to Prison

On this day in 1931, gangster Al Capone is sentenced to 11 years in prison for tax evasion and fined \$80,000, signaling the downfall of one of the most notorious criminals of the 1920s and 1930s.

Alphonse Gabriel Capone was born in Brooklyn, New York, in 1899 to Italian immigrants. He was

fall within several categories including: card brands, mobile wallets, card readers and apps, P2P & eCommerce, and prepaid.

[Click for a preview and free overview of Apple Pay.](#)

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Featured

Apple Pay Mobile Payments Service to Launch on Monday

10/16/14 CNET

Apple is rolling out its mobile payments service Apple Pay on Monday, CEO Tim Cook announced at an event on Thursday. He said enthusiasm for the service has been huge, with 500 new banks partnering with Apple since the service was announced last month. "It's easy, it's secure and yes, it's a private way to pay for things," Cook said at the event in Cupertino, Calif., Thursday. "We think that it is going to be profound."

Related: [A List of Stores Where you Can Use Apple Pay - Wired](#)

Apple Enlists Hundreds of Banks Ahead of Apple Pay Launch

10/16/14 BTN

Apple, which launches its mobile wallet on Oct. 20, has convinced more than 500 banks to support Apple Pay by early next year. JPMorgan Chase will support Apple Pay the day it launches, the bank said. Its Chase Paymentech business is also working with developers to encourage Apple Pay integration in apps. "We believe Apple Pay will be huge and will change the way people pay for things," Apple CEO Tim Cook said in an Oct. 16 presentation. "It's easy and secure, and a private way to pay for things."

Vista Equity Partners to Acquire TransFirst Inc.

10/13/14 PR Newswire

TransFirst Inc., a leading provider of secure payment processing, announced that it will be acquired by Vista Equity Partners ("Vista"), a leading private equity firm focused on software, data and technology-enabled businesses. The acquisition will allow TransFirst to enter a new phase of growth focused on their end to end technology platform, growing their network of merchants and strengthening their base of partners.

TSG's NewsFilter Surpasses 20,000 Subscribers

10/14/14 TSG

The Strawhecker Group (TSG), a management consulting company focused on the global electronic payments industry, is pleased to announce that NewsFilter, a weekly email newsletter that provides the industry with need-to-know payments news and TSG insights, is now delivered to over 20,000 payments professionals



expelled from school at 14, joined a gang and earned his nickname "Scarface" after being sliced across the cheek during a fight. By 1920, Capone had moved to Chicago, where he was soon helping to run crime boss Johnny Torrio's illegal enterprises, which included alcohol-smuggling, gambling and prostitution. Torrio retired in 1925 after an attempt on his life and Capone, known for his cunning and brutality, was put in charge of the organization.

Prohibition, which outlawed the brewing and distribution of alcohol and lasted from 1920 to 1933, proved extremely lucrative for bootleggers and gangsters like Capone, who raked in millions from his underworld activities. Capone was at the top of the F.B.I.'s "Most Wanted" list by 1930, but he avoided long stints in jail until 1931 by bribing city officials, intimidating witnesses and maintaining various hideouts. [Click here to read more.](#)

each week.

Since NewsFilter's inception in 2006, TSG's subscriber base has expanded to include professionals from every facet of the industry including: ISOs, banks and financial institutions, card brands, issuers, bank specialty lenders and private equity firms, major merchants, hardware providers, software vendors, resellers, and other various payments related companies such as prepaid card providers, technology companies and electronic payment support firms.

[VeriFone's New Strategy \(And It's Not About Payments\)](#)

10/15/14 PYMNTS

As VeriFone looks out over the next decade in payments, it sees a world where terminals are as relevant as they are right now - with one big difference. Vin D'Agostino, VeriFone's SVP of Global Commerce Enablement, tells MPD CEO Karen Webster that what's different is what those terminals do. Sure, they enable payment acceptance, but that takes a back seat to a host of activities that help merchants sell more stuff in a world where plastic (still) and digital live side by side.

[While Smiling on NFC, eBay's CEO Raises Possibility of PayPal-Apple Pay Link](#)

10/15/14 Digital Transactions

EBay Inc. chief executive John Donahoe on Wednesday appeared to open a door for PayPal Inc. to serve as a funding source in Apple Inc.'s new Apple Pay mobile-wallet service and to adopt near-field communication to link mobile devices with merchant points of sale. Without saying whether PayPal is actively negotiating with Apple, Donahoe told stock analysts during eBay's third-quarter earnings call that PayPal "will work toward whatever's right" for its users. "With respect to Apple, it remains to be seen," he said, adding, "we remain hopeful."

[Holiday Season for Cybercriminals, Too](#)

10/14/14 WSJ

Retailers look forward to the holiday season, when most of them make the bulk of their sales. With that heightened shopping activity comes increased risk as cybercriminals ramp up their efforts to steal store data.

Retailers need to be vigilant against attacks on their payment systems, but must keep transactions as quick and easy as possible, lest they lose impatient consumers, said Aaron Press, director of payments and e-commerce for Lexis Nexis Risk Solutions.

Money 20/20 REGISTER USING DISCOUNT CODE STRAWH20 AND GET 20% OFF!

[Mobile Payments & Bitcoin](#)

[PayPal: Apple Pay Opportunity 'Remains to Be Seen'](#)

10/15/14 PaymentsSource

PayPal is on track to handle 1 billion mobile transactions this year, but the company can't yet say it will benefit from the imminent launch of Apple Pay. When it debuts this month, Apple Pay will enable consumers to make purchases funded by Visa, MasterCard and American Express accounts. Though PayPal is a funding mechanism for Apple's iTunes and App stores,

it can't be used for purchases made through Apple's mobile wallet.

IMF and World Bank Panel: Bitcoin Block Chain Could Boost Financial Inclusion

10/15/14 *CoinDesk*

This weekend private and public sector delegates convened for a panel discussion about technology's role in achieving greater global financial inclusion as part of a four-part seminar series at the Annual Meetings of the International Monetary Fund (IMF) and the World Bank Group in Washington, DC. "What we haven't seen is this kind of sweeping, total transformation of the business model that you've seen in industries like music or publishing - and the reason I talk about those is that they're digital industries and there is nothing about banking that is inherently physical," he said.

This is How McDonald's Will take Apple Pay at the Drive-Thru

10/13/14 *9to5Mac*

Over the weekend we detailed how Apple and retailers are preparing for Apple Pay, the iPhone 6 and Touch ID-secured mobile payment system launching as soon as this week, including the setup process through Passbook. At launch Apple Pay will be supported by a number of retailers, restaurants and more including McDonald's which plans to even accept Apple Pay from your iPhone 6 at the drive through.

Smartwatches Face Challenges as Payment Devices

10/15/14 *Finextra*

Just one-in-three consumers would be interested in using a smartwatch for payments, with fitness tracking, online ID and travel ticketing viewed as more attractive features, according to a survey of 5000 people across five countries. The poll of smartphone users in China, Germany, South Korea, the UK and the US indicates that people in these countries see potential in using smartwatches to 'carry' tickets for passenger transport or as security keys to their computers and online accounts.



Regulation & Security

This Chart Shows How Big The Major Data Breaches Really Were

10/16/14 *BusinessInsider*

While big data breaches have been getting a ton of media attention lately, it's sometimes tough to imagine how they compare to one another. A recent report released by the RAND Corporation's National Security Research Division put the big data breaches into perspective. The chart below appears in RAND's report and shows how the most recent data breaches of various high-profile companies compare to each other.

Chief Data Officers Battle Complexity, Complacency: Wells' Thomas

10/16/14 *American Banker*

Even with a newly created position, a \$100 million budget and a team of

600, Wells Fargo's chief data officer, Charles Thomas, says he's fighting the forces of corporate inertia. "It's hard to get a successful company to change until something hurts," Thomas said Thursday. "Many of the large banks have breaches, privacy issues and other big challenges," he said at SourceMedia's second annual Banking Analytics Symposium in New Orleans. "Wells Fargo hasn't been hit with any of those challenges, so it's hard to get the company to start thinking differently about its data until something hurts."

Sears Owned Kmart Discloses Data Breach

10/14/14 Forbes

It was Friday afternoon, October 10, when Sears quietly announced via a filing with the Securities and Exchange Commission that one of their brands, Kmart, had suffered a data breach. It appears based on the information that they've shared that Kmart's point of sale systems were compromised by malicious software. Kmart has discovered themselves in the unenviable position of being shoulder to shoulder with companies such as Home Depot, Target, Dairy Queen, Neiman Marcus and other firms who have also suffered this fate.

UK Moves to Increase Competition in Consumer Card Payments

10/14/14 Reuters

Britain has launched a public consultation on the list of firms it wants supervised by a new consumer payments regulator, whose core objective is to inject more competition into the sector. The government said in a statement on Tuesday it was consulting on whether Visa, Mastercard and the main interbank systems such as Bacs, CHAPS, Faster Payments, Link and the cheque clearing system should come under the new Payment Systems Regulator from April next year.

Same-Day ACH and the Future of Faster Payments

10/14/14 BankThink

The financial industry is working to make payments better, more efficient, simpler - and faster. Many Americans are particularly invested in efforts to achieve this last improvement. A recent Federal Reserve study found that 69% of consumer payers and 75% of business payees prefer instant or one-hour payment speed. The key question for all users is what functionality will be required to meet Americans' needs: validation of good funds, settlement of funds, or actual funds availability in a user's bank account?

TD Bank Agrees to Breach Settlement

10/15/14 Bank Info Security

TD Bank has agreed to a multi-state settlement in the wake of a 2012 data breach involving the loss of two backup tapes that may have exposed personally identifiable information about 260,000 of the bank's 8 million U.S. customers. The settlement, announced Oct. 15 by New York Attorney General Eric T. Schneiderman, requires TD Bank to pay an \$850,000 fine and reform its practices to help prevent breaches. An official close to the investigation tells Information Security Media Group that the fine is tied to the bank's security habits and untimely notification of the breach.

Economy

Spending Slows in September Following Steady Summer Growth

10/15/14 First Data

Following a summer in which spending growth hit several year-long highs, September spending slowed slightly when compared to August numbers. According to the monthly SpendTrend report from First Data Corporation, the global leader in payment technology and services solutions, several factors, ranging from a reduced demand for fall merchandise to unseasonably warm weather, contributed to the slowdown. Overall spending growth in September remained healthy at 3.1% but slipped from August's growth of 3.9%.

Jobless Claims Drop to Lowest Level in More Than 14 Years

10/16/14 MarketWatch

Initial claims for jobless benefits dropped to the lowest weekly tally in more than 14 years, showing that employers are laying off very few workers, a good sign for the labor market, according to government data released Thursday. The number of people who applied for U.S. jobless benefits tumbled by 23,000 to 264,000 in the week that ended Oct. 11, the lowest level since April 2000, the U.S. Labor Department reported.

Retail Sales Give Cautionary Sign on Demand

10/15/14 CNBC

U.S. retail sales declined in September even when factoring out weakness at auto dealers and gasoline stations, providing a surprisingly cautionary sign for the strength of consumer demand. Total retail sales dropped 0.3 percent during the month, the Commerce Department said on Wednesday. Drops in receipts at gasoline stations and auto dealers dragged on the reading.

Payments Press

TSG Commentary from the 2014 Strategic Leadership Forum

10/15/14 TSG

Last week TSG attended ETA's Strategic Leadership Forum at The Breakers in Palm Beach, FL which was host to more than 400 top payments and technology executives. Following the show, TSG Associates compiled [the following commentary](#).

Apple And Samsung Join The ETA

10/16/14 ISO & Agent

Apple and Samsung joined the Electronic Transactions Association this week, providing further evidence that the acquiring industry's trade group is welcoming technology companies as members. The ISOs that formed the ETA want tech firms to join organization so that companies from both camps-acquiring and technology-can cooperate in bringing payments innovation to merchants, said Jason Oxman, ETA CEO.

Apple Pay Available to Millions of Visa Cardholders

10/16/14 Visa

Visa Inc., the global leader in payments, today announced that starting October 20th eligible Visa cardholders in the U.S. will be able to use Apple Pay, Apple's new payment service, to begin to make purchases at select U.S. merchants with their new iPhone. iPhone 6 or 6 Plus users with Visa cards issued by Bank of America, Capital One, Citi Bank, Chase and Wells Fargo Bank will be able to initiate mobile purchases with Apple Pay in stores.

[Apple Pay Coming 10/20 for MasterCard Cardholders](#)

10/16/14 MasterCard

The MasterCard Digital Enablement Service (MDES) enables MasterCard consumer credit or debit cardholders to use Apple Pay. In building a secure payment experience, Apple Pay leverages industry-standard EMV cryptography to ensure transactions can take full advantage of the most secure payments technology in the world. In order to further protect consumers, Apple Pay incorporates additional security features such as Touch ID or a passcode to authorize every payment and tokenization via MDES.

[American Express and McDonald's USA to Bring the Power of Membership Rewards Points to McDonald's Restaurants Nationwide](#)

10/14/14 American Express

American Express and McDonald's announce that starting today they will debut the capability for eligible U.S. Card Members enrolled in the Membership Rewards® program to seamlessly use points, in select locations, in real-time for food and beverages at the counter in McDonald's restaurants. This capability is expected to roll out to all participating McDonald's U.S. locations by December 2014.

[Zwipe and MasterCard Combine to Announce First Contactless Payment Card with a Fingerprint Sensor](#)

10/17/14 Pocket-Lint

What if you want to use a contactless payment method other than a phone and approve purchases over a certain amount without having to revert to a PIN code? Well, Zwipe and Mastercard believe they have the answer; the world's first contactless payment card with a built-in biometric sensor that recognises your fingerprint.

[Going Live with Apple Pay Using Our v.zero SDK](#)

10/16/14 Braintree

Last month, Braintree announced they would support Apple Pay from day one. Braintree's v.zero SDK gives merchants the ability to easily add Apple Pay to their apps and allows for the control and flexibility they need to provide the best payment experiences for their customers - whether it's credit cards, debit cards, wallets like PayPal and Apple Pay and even bitcoin (coming soon).

[eBay Reports Growth in Q3 on Revenue of \\$4.35B, Leans on PayPal](#)

10/15/14 VentureBeat

eBay today reported its third-quarter earnings for 2014, with revenue of \$4.35 billion and GAAP earnings of \$0.54 per diluted share (EPS) and non-GAAP earnings of \$0.68 per share. Analysts had expected earnings of \$0.67 per share on revenue of \$4.37 billion. In its 2013 third quarter, the company reported revenue of \$3.9 billion.

[Harbortouch Unveils New Built-for-Purpose "Tablet Killer"](#)

10/15/14 Harbor Touch

Harbortouch, a leading national POS system and merchant services provider, has unveiled Harbortouch Echo, a sleek, built-for-purpose POS system that is considered a "tablet killer". Harbortouch Echo combines the power and functionality of a traditional POS system with the simplicity and sleek design of a tablet-based system. The company has also redesigned its flagship Harbortouch "Elite" system with a thinner profile, streamlined design and dramatically improved performance over

its predecessor.

Forte Offers Payment Solution for eNoticesOnline from The Master's Touch, LLC

10/14/14 Forte

Forte Payment Systems announced their newest partnership with The Master's Touch, LLC, a print and mail company that has provided bill statement solutions since 1994. Forte will be providing a fully integrated payment solution that will power the eNoticesOnline bill presentment service for The Master's Touch, LLC.

Worldpay Launches Tool to Reduce fraudulent Transactions

10/15/14 Travolution

A risk management tool to combat fraud and help online businesses operate more efficiently has been unveiled by internet payments specialist Worldpay. The RiskGuardian tool provides accurate risk checks to increase the acceptance of good transactions and minimise fraudulent ones. It can run more than 200 checks per second on each transaction and identify emerging fraud patterns.

W.net Launches in UK

10/16/14 The Green Sheet

The Women's Network in Electronic Transactions (W.net) today announces its inaugural UK meeting in London on Thursday 23rd October at 3pm. W.net is a not for profit organisation that, for the last decade, has been inspiring and empowering more than a 1,000 women annually in the US to greater success.

Clarent Announces Partnership With ShopKeep POS

10/14/14 Clarent

Clarent proudly announced its new partnership with ShopKeep, the cloud-based small business technology provider trusted by more than 10,000 small business owners to manage retail shops and restaurants with iPads. Founded by a merchant, ShopKeep offers a great balance of simple, smart, secure and supportive features that make managing and growing small businesses, including general retailers, quick service restaurants, and full service restaurants and bars, better.

Alipay to U.S. Retailers: Let Us Be Your One-Stop Shop for Selling Into China

10/15/14 Recode

Alipay, China's popular online payments service, wants a piece of the U.S. e-commerce market and is using its close ties with Alibaba to pitch itself as the ideal conduit between American retailers and Chinese shoppers. With the unveiling of a service called Alipay ePass, the company says it wants to help these retailers market goods to Chinese shoppers, accept payments from them, and get orders into their hands quicker.

Johnny Rockets Restaurants To Roll Out E La Carte's Tablets To 200 Locations

10/15/14 Tech Crunch

In the race to become one of the top tableside tablet providers, Silicon Valley-based E la Carte has just scored another notable restaurant deal to follow that of the Applebee's win from last year: the company says today that it's preparing to install its tablets at over 200 U.S. Johnny Rockets locations starting next month. The deal was struck after a relatively brief, three-month trial period where the restaurant chain

tested Ela Carte's tablets alongside competitive solutions.

Cardtronics Launches ALLTM, Merging Cash With Digital Rewards

10/14/14 CardTronics

Cardtronics, Inc. the world's largest retail ATM owner/operator, is now going beyond connecting consumers with their cash at convenient retail locations. With the launch of the ALLTM™ Network, Cardtronics today introduces cash + digital rewards, with money-saving deals and discounts available immediately at stores hosting an ALLTM.

3PEA International and Visa Enter into a Prepaid Card Agreement

10/14/14 BusinessWire

3PEA International, a vertically integrated provider of innovative prepaid card programs and processing services for corporate, consumer and government applications, today announced it has entered into an agreement with Visa Inc. a leader in global payments. 3PEA will exclusively issue Visa-branded prepaid cards for its PaySign® brand of prepaid cards.



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