

NewsFilter

Editor: Mike Strawhecker, VP & Director of TSG Metrics
Co-Editor: Andrew Nuss, Marketing Associate



THE STRAWHECKER GROUP
The Trusted Advisor To The Payments Industry



Mar. 20th, 2015
Edition #446

New to NewsFilter?



Want to Advertise
in NF?

[Click here to learn
more.](#)

Categories

[Featured](#)

[Mobile Payments &
Bitcoin](#)

[Regulation & Security](#)

[Economy](#)

[Payments Press](#)

TSG Resources

[TheStrawGroup.com](#)

[TSG Resource Center](#)

[PaymentsPulse.com](#)

[TSG Overview](#)



Trending This Week...

Has your bracket busted already? Don't worry, TSG has another bracket for you - **Payments Madness 2015!** What payments topics will have the biggest impact on the industry by the end of 2015?

[Click here to see the bracket](#), TSG experts have seeded the topics from 1 - 8 based upon expected impact. Will the one seed, EMV, win out?

[Take a second to vote for the four match-ups](#). Next week the winners will duke it out in the Semi-Finals!

Also, did you miss TSG's St. Patrick's Day analysis? TSG utilized its database of 2.7 million merchants to see which states drink more on St. Patrick's Day. [Check it out!](#)

Other highlights from this week's news include:

- [Target Victims Have Burden of Proof in Settlement](#)
- [You Can Now Send Money on Facebook - What's in it For Them?](#)
- [Rakuten Enables Bitcoin Payments for U.S. Customers](#)
- [Pot Payments Piteously Poor in an Otherwise Smokin' Industry](#)

[Transaction Advisory](#)

[Acquisition Multiples & Attrition Summary](#)

[Merchant Aggregation](#)

[Acquirer Strategic Assessment](#)

[TSG MPPS Benefits](#)

[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: 1965

LBJ Sends Federal Troops to Alabama

On this day in 1965, President Lyndon B. Johnson notifies Alabama's Governor George Wallace that he will use federal authority to call up the Alabama National Guard in order to supervise a planned civil rights march from Selma to Montgomery.

Intimidation and discrimination had earlier prevented Selma's black

Storing cardholder data?
The cloud you choose matters.

Join Us at Transact 15

firehost FTNI



[Heading to TRANSACT 15? Connect with FTNI and FireHost at Booth 938. Sign up at \[firehost.com/transact15\]\(http://firehost.com/transact15\)](#)

Featured

Target Victims Have Burden of Proof in Settlement

3/19/15 USA Today

Victims of Target's 2013 data breach may have a hard time collecting a significant amount of money from a \$10 million settlement with the retailer, information security experts say. That's because of the burden of proof on consumers, who will be asked to submit documentation of loss on a claims form. Target may end up paying out only a small portion of the \$10 million because that pot of money is only available to "those consumers who can demonstrate loss."

Which States Drink More on St. Paddy's?

3/17/15 TSG

The Strawhecker Group (TSG) utilized its database of 2.7 million merchants to see which states drink more on St. Patrick's Day.

[Click here to see the findings.](#)

The findings show that South Dakotans love the holiday, as their foot traffic at bars increased by 37% in March 2014 over February, leading the nation. Washington DC's foot traffic actually decreased in March over February by 7%. The national average was a 14% increase in foot traffic.

The data is sourced from over 5,500 Bars, Taverns, Cocktail Lounges, Nightclubs And Discotheques across the U.S.

You Can Now Send Money on Facebook - What's in it For Them?

3/17/15 Wired

Facebook just unveiled a new service that lets you send money via its instant messaging app, Facebook Messenger. It's kinda like existing services from SnapChat, Square, and Venmo, letting you readily swap money other with people (as opposed to businesses) both near and far. But there's a big difference: It runs on Facebook. That means this new service instantly reaches the vast number of people who are already on Facebook. Suddenly, it's far easier for a large swath of the population to send and receive cash. But friend-to-friend payments can also feed the much larger ambitions of Mark Zuckerberg and company.

CFPB Launches Public Inquiry to Inform Agency Review of the Credit Card Market

3/17/15 CFPB

The Consumer Financial Protection Bureau (CFPB) announced it is seeking public comment on how the credit card market is functioning and the impact of credit card protections on consumers and issuers. This public inquiry will focus on issues including credit card terms, the use of consumer disclosures, credit card debt collection practices, and rewards programs, among others.

population-over half the city-from registering and voting. On Sunday, March 7, 1965, a group of 600 demonstrators marched on the capital city of Montgomery to protest this disenfranchisement and the earlier killing of a black man, Jimmie Lee Jackson, by a state trooper. In brutal scenes that were later broadcast on television, state and local police attacked the marchers with billy clubs and tear gas. TV viewers far and wide were outraged by the images, and a protest march was organized just two days after "Bloody Sunday" by Martin Luther King, Jr., head of the Southern Christian Leadership Conference (SCLC). King turned the marchers around, however, rather than carry out the march without federal judicial approval.

[Click here to read more.](#)

U.S. Lawmakers Form Payments Technology Caucus

3/20/15 Finextra

A bipartisan group of US House of Representatives members have formed a caucus to investigate payment technologies. Republicans Lynn Westmoreland and Randy Neugebauer have joined forces with Democrats David Scott and Kyrsten Sinema to form the Congressional Payments Technology Caucus (CPTC). The Electronic Transactions Association has welcomed the caucus.

Innovation Project Best In Show - Payments Style

3/20/15 PYMNTS

Before Innovation Project 2015 wrapped up on the evening of March 19 in Cambridge, Massachusetts, there was one key event left to do: honor the innovators. After all, without the innovators in payments, there wouldn't be the Innovation Project and there wouldn't be the same opportunity for global payments luminaries and c-suite executives to come together under one roof and discuss, debate and bring about conversations that have the power to shape innovation for years to come.



Mobile Payments & Bitcoin

Banks Still Trying, Failing, to Deflect Fraud Onto Apple Pay

3/17/15 iMore

There is absolutely no reason for anyone using Apple Pay to be concerned at all about using Apple Pay. It's important to keep saying that because publications keep making it a point to link Apple Pay and "fraud" in their headlines. It's important because those publications are spreading fear, uncertainty, and doubt about Apple Pay - which makes mobile payments more accessible and secures the very data often used to actually commit fraud - to the people for whom it is most beneficial.

Alibaba Teases New Face Recognition Tool for Mobile Pay

3/16/15 CNBC

Alibaba may be about to take the concept of dining out on your face to a whole new level. Users of the e-commerce giant's mobile payment systems could soon be able to pay by scanning their face with a smartphone, after Alibaba's boss teased the new technology on Sunday. The service called "Smile To Pay" is currently in beta mode, but was shown off by Alibaba CEO Jack Ma during his keynote speech at the CeBit tech trade fair.

Retail Giant Rakuten Enables Bitcoin Payments for US Customers

3/17/15 CoinDesk

Japanese e-commerce giant Rakuten has integrated its US site with bitcoin payment processor Bitnet, enabling customers in America to pay with the digital currency. Often considered a rival to Amazon, Rakuten has also confirmed plans to roll out bitcoin integration to both its German and Austrian e-commerce sites.

Geo-fencing Has Real Potential for Mobile Growth, Says Citi Exec

3/19/15 Mobile Commerce Daily

A Citi executive at the 2015 Mobile Marketing Association Forum New York claimed that geo-fencing specific areas to alert consumers of potential rewards gained when using a Citi credit card is an optimal solution, suggesting that location-based targeting is a hot topic for financial marketers. During the "Consumer-first Marketing: A Peak Inside Citi's Mobile Journey" session, the executive discussed the heavy presence of mobile in the banking sector and claimed that it is becoming a first screen for many consumers.



Regulation & Security

Premera Blue Cross Cyberattack Exposed Millions Of Customer Records

3/18/15 NPR

Another big health insurance company has revealed it has been the target of a massive cyberattack. Premera Blue Cross says hackers may have taken up to 11 million customer records. Those records include credit card numbers, Social Security numbers, even information about medical problems. This news is just coming out but Premera issued a statement saying it discovered the breach on Jan. 29. That's about the same date that Anthem, another Blue Cross company, told the FBI that it was breached.

As Big Banks Prep for EMV, Fraud Relief Remains Far Off

3/18/15 BTN

Large banks and card issuers are ready for the U.S. shift to chip-and-PIN technology, according to a report issued Wednesday. But the drop in fraud that is expected to result is unlikely to come anytime soon. The use of EMV-style chip cards is supposed to make retailers like Target less appealing targets for hackers because they will be storing less card data. However, the way the U.S. is implementing EMV leaves plenty of room for the continued use of fake cards. And there is a plethora of ways hackers can use stolen card information without using a physical card.

Door Skimmer + Hidden Camera = Profit

3/17/15 Krebs on Security

If an ATM you'd like to use is enclosed in a vestibule that requires a card swipe at the door, it might be a good idea to go find another machine, or at least use something other than a payment card to gain entry. Thieves frequently add skimmers to these key card locks and then hide cameras above or beside such ATMs, allowing them to steal your PIN and card data without ever actually tampering with the cash machine itself.

Fattmerchant Undercuts Credit Card Processing Fees

3/16/15 FSR

According to Forbes, more than \$490 billion in total payments were made using credit cards in the fourth quarter of 2014 alone—ranking it the highest-ever quarter of credit card volume. As more diners visit

restaurants and pay with cards, owners are on the lookout for less expensive merchant service companies.



Economy

Janet Yellen Isn't Going to Raise Interest Rates Until She's Good and Ready

3/18/15 The New York Times

The key words in Janet L. Yellen's news conference Wednesday were rather pithy, at least by central bank standards. "Just because we removed the word 'patient' from the statement doesn't mean we are going to be impatient," Ms. Yellen, the Federal Reserve chairwoman, said. With this framing, Ms. Yellen was putting her firm stamp on the policy of an institution she has led for just over a year - and making clear that she will not be boxed in.

North Dakota Still Has the Nation's Lowest Unemployment Rate. What About Your State?

3/17/15 MarketWatch

Unemployment rates have fallen most sharply over the past year in Illinois and Rhode Island, although the percentage of people without jobs in those states remains above the national average. And while unemployment has fallen sharply across the U.S. amid the strongest stretch of job creation since the mid-1990s, the jobless rate rose in two states in the 12 months to January, according to Labor Department data released Tuesday.

Online Shoppers Buy More Holiday Digital Gift Cards

3/17/15 Internet Retailer

63% of consumers who bought gift cards online in December bought digital cards instead of physical cards, up from 57% in the same month in 2013, according to data released today by InComm, which provides gift card services to online retailers. InComm's data is based on the gift card transactions it handled for its retailer clients.



Payments Press

Pot Payments Piteously Poor in an Otherwise Smokin' Industry

3/17/15 Digital Transactions

Legal U.S. marijuana sales grew 74% to \$2.7 billion in 2014 from \$1.5 billion the year before, but you wouldn't know it by the payment card and other electronic payments generated by the budding industry, according to a

new research report. Even though about 20 states have approved medicinal marijuana since 1996 and four states and the District of Columbia now have recreational cannabis laws on their books, legal marijuana businesses remain mostly cash-based because many have a difficult time getting conventional banking and payment services.

Government of Canada Selects Moneris as Payment Acquirer

3/19/15 Finextra

Following a competitive process, the Government of Canada selected Moneris as the successful bidder to provide card processing services to federal departments and agencies across Canada. As part of the agreement, Moneris will process all Interac® Debit, VISA®, MasterCard® and American Express® payments for Government of Canada services.

Verizon Report: 4 out of 5 Companies Failing Interim PCI Compliance Assessments

3/19/15 Jelevos

Being PCI compliant today is hard enough; being PCI compliant tomorrow is proving nearly impossible. Verizon Enterprise Solutions released its annual report on the state of PCI compliance this month, and among its key findings is that sustaining enterprise-wide data protections between PCI audits is a test more than 80% of companies are failing today. With sensitive cardholder data and your business reputation at stake, is your enterprise doing everything it must to sustain the PCI compliance you've worked so hard to achieve?

American Express, AT&T, ExxonMobil, Macy's, Nationwide, Rite Aid, Direct Energy and Hulu Launch Plenti - First Coalition Loyalty Program in US

3/18/15 American Express

AT&T, ExxonMobil, Macy's, Nationwide, Rite Aid, Direct Energy and Hulu are joining with American Express to launch Plenti, the first U.S.-based coalition loyalty program with well-known brands where consumers can earn and use Plenti points for purchasing a wide range of products, regardless of the payment method consumers choose to use. The program will officially launch this spring and is expected to include more brands in additional categories.

Net Element to Acquire Leading Payment Innovator PayOnline

3/17/15 Net Element

Net Element, Inc., a global technology leader in mobile payments and value-added transactional services today announced the entry into a binding term sheet by its wholly owned subsidiary TOT Group Europe, Ltd. to acquire and operate PayOnline, a regional industry leader in online transaction processing services and payment-enabling technology.

Discover Card Shares the Top Spot in Customer Loyalty for 19th Consecutive Year

3/18/15 Discover

Discover shared the top spot in the credit card category this year in customer brand loyalty, according to an annual study by the independent search firm Brand Keys, Inc. The 2015 Brand Keys Customer Loyalty Engagement Index® measures the degrees of loyalty that consumers exhibit toward their favorite brands. Discover has held or shared the top Brand Keys ranking in its category for the past 19 consecutive years.

U.S. Bank Becomes Member of clearXchange to Bring

Customers Faster, More Secure Digital Payments

3/17/15 CNBC

U.S. Bank, lead bank of U.S. Bancorp, has made an investment in and joined clearXchange, the largest bank-focused digital payments network in the United States. With the addition of U.S. Bank, the clearXchange network now includes 5 of the largest banks in the United States, along with multiple regional financial institutions, who together serve over 100 million online banking and 50 million mobile banking customers.

Arnold Palmer Invitational Presented by MasterCard Breaks Par with New Payment Technology

3/18/15 MasterCard

Spectators at the Arnold Palmer Invitational Presented by MasterCard (API) no longer have to miss out on the action at the tournament with the introduction of the latest technology from MasterCard. Golf fans will now have access to faster and more secure ways to pay at concession and merchandise point of sale terminals throughout Bay Hill where MasterCard is enabling acceptance of chip cards, contactless payments, and QR! with MasterPass.

Empower Federal Credit Union Teams with Vantiv for Suite of Payment Solutions

3/17/15 Vantiv

Vantiv, Inc., a leading provider of payment processing services and related technology solutions for merchants and financial institutions of all sizes, and Empower Federal Credit Union (FCU), a full-service financial institution with more than \$1.3 billion in assets, announced an agreement to provide consolidated payment solutions, including merchant services and consumer card issuing products.

First Data Forms International Advisory Board, Appoints Former Senator Bill Bradley as Chairman

3/16/15 First Data

First Data Corporation, the global leader in payment technology and services solutions, today announced the formation of its International Advisory Board and named former Senator Bill Bradley as the Board's chairman. The International Advisory Board will be comprised of outstanding leaders of the global business community dedicated to expanding the company's growth.

Bluefin and PCI University Partner for PCI Compliance Awareness

3/17/15 Bluefin

Bluefin Payment Systems announced that it has partnered with PCI University to provide an educational PCI compliance suite to Bluefin's U.S. and Canadian merchant base. PCI University specializes in breaking down the complexities of PCI DSS into plain English, providing merchants with an innovative tool to assess their own risk (no technical expertise required), and put in place a personalized action plan to ensure PCI compliance.

Calpian Taps Conformance Technologies for PCI, TIN Matching

3/18/15 The Green Sheet

Conformance Technologies, a fast-growing provider of operating systems, education systems and expertise used in managing business compliance requirements, announced that Calpian Commerce, a subsidiary of Calpian, Inc., has selected its PCI ToolKit® and TINMatch ToolKit™ offerings. Subsidiary Calpian Commerce, Inc. will use the

patented PCI ToolKit solution for Payment Card Industry Data Security Standard (PCI DSS) merchant portfolio compliance validation, and the TINMatch ToolKit for merchant business entity name and federal Taxpayer Identification Number (TIN) matching with Internal Revenue Service (IRS) records.

Hyperwallet Simplifies Their Approach with New Brand Identity and Expanded Solutions Offering

3/18/15 Hyperwallet

Hyperwallet Systems Inc. ("Hyperwallet"), a global leader in the payments industry, unveiled its new brand identity, including an updated corporate logo, a fresh slogan, a redesigned website, and a new product line of Mass Payments Solutions. The brand launch signals Hyperwallet's increased emphasis on simplicity and efficiency in the global payments marketplace, and renews the company's focus on making mass payments effortless for businesses and their payees.

Westlake Financial Services to Save Millions with ACI Worldwide's UP Bill Pay Service

3/17/15 Yahoo! Finance

ACI Worldwide, a leading global provider of electronic payment and banking solutions, announced that Westlake Financial Services, one of the nation's leading auto finance companies, has selected ACI UP Bill Payment Solutions, the industry's most comprehensive electronic bill pay service, to facilitate customer loan payments.

Total Merchant Services Launches Free Placement Program of New Ingenico Terminal Line-up for Canadians

3/16/15 Total Merchant Services

Coming on the heels of a successful October launch in the U.S., Total Merchant Services announced that they will now offer Ingenico Group's smart terminals in Canada for their free terminal placement programs. The introduction of all-in-one payment countertop and mobile devices means small- and mid-sized Canadian businesses will have the latest in high-speed and multi-platform transaction technology and NFC capabilities.

NCR Software Drives Transaction Switching at Mexico's Largest Electronic Payments Processor, E-Global

3/16/15 NCR

E-Global, the largest electronic payments processor in Mexico, has implemented a new payments transactions platform from NCR Corporation, the global leader in consumer transaction technologies. Using Authentic from Alaric, an NCR business, E-Global is able to create rules for validation more quickly, improve the consistency of its data and gain better visibility into its validation process.

BMO Harris Bank Launches Cardless ATMs

3/16/15 Chicago Tribune

BMO Harris Bank, the Chicago area's second-biggest bank by deposits, on Monday will announce that 750 of its ATMs, including about 400 in the Chicago area, will give consumers the choice of withdrawing cash using their smart phone, eliminating the need to use a debit card. BMO Harris Bank's "Mobile Cash" rollout is one of the area's biggest launches of what are commonly called "cardless cash" ATMs.

Digital River Provides Global Online Payments Solutions for peerTransfer

3/17/15 Businesswire

Digital River, Inc., a leading global provider of Commerce-as-a-Service solutions, announced that it is processing online payments for peerTransfer, a leading provider of global payment solutions for foreign students and educational institutions. peerTransfer is using the Digital River World Payments solution to facilitate student tuition payments made via credit card in 59 currencies across North America, Asia Pacific, Europe and parts of Africa.



THE STRAWHECKER GROUP
The Trusted Advisor To The Payments Industry



Copyright © 2015 The Strawhecker Group. All Rights Reserved. Unless noted, TSG does not take responsibility for content or opinions. Articles are sourced as appropriate throughout.

'SafeUnsubscribe' below will remove you from all TSG communications, this includes email blasts as well as NewsFilter. Please be aware of this before you choose to unsubscribe. Thank you, we appreciate your continued readership.