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 Payments Experts. Powerful Data.
THE STRAWHECKER GROUP



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TSG Resources

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Trending this week...

Apple, looking to enhance its Apple Pay offering, has been reportedly in talks with several U.S. banks [to develop a P2P mobile payment service](#). The service would compete directly with PayPal's Venmo and is rumored to roll out next year.

[Square began its roadshow](#) this week in San Francisco, New York, and Boston in hopes to drum up investor interest. [Check out the roadshow video.](#)

Other highlights include:

- [Michael Dooley Joins TSG as Director of Business Development](#)
- [ETA Helps Tech Companies Find Opportunity in \\$5 Trillion Payments Industry](#)
- [Apple's Tim Cook Says Cash Will Be Dead for the Next Generation of Kids](#)
- [The Front Lines on Online Fraud in the U.S.](#)
- [Blackstone Will Invest \\$820M in NCR](#)

TSG Factoid of the Week:

TSG recently helped a bank with 10 branches create new revenue of \$1.7M over 7 years for branding, including a sign-on bonus of \$400K.

NEW eReport: Nonprofit ISV Directory

[ROI: Did you know that the average Charitable And Social Service Organizations \(MCC 8398\) produce \\$3,998 of](#)

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

[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](#)

This Day

in History: 1982

Vietnam Veterans Memorial Dedicated

Near the end of a weeklong national salute to Americans who served in the Vietnam War, the Vietnam Veterans Memorial is dedicated in Washington after a march to its site by thousands of veterans of the conflict. The long-awaited memorial was a simple V-shaped black-granite wall inscribed with the names of the 57,939 Americans who died in the conflict, arranged in order of death, not rank, as was common in other memorials.

The designer of the memorial was Maya Lin, a Yale University architecture student who entered a nationwide competition to create a design for the monument. Lin, born in Ohio in 1959, was the daughter of Chinese immigrants. Many

lifetime net revenue for merchant acquiring companies? This information is valuable to penetrate this market.

This report identifies 70 independent software providers (ISVs) that serve the nonprofit business space. [Download a sample.](#)

Payments companies involved in the nonprofit space will find value in this report for potential partnerships, acquisitions, or as a benchmark. [Click here to purchase.](#)



Featured

[Michael Dooley Joins The Strawhecker Group as Director of Business Development](#)

The Strawhecker Group (TSG), has announced today the addition of Director of Business Development, Michael Dooley who brings over 20 years of deep experience in managing sales and client projects. Dooley will use his expertise to help TSG reach new heights and grow its dedicated consulting practice by improving speed and efficiency.

"Dooley is a major addition to TSG," said Kurt Strawhecker, Managing Partner. "His industry experience, coupled with his consulting background, will be a great benefit for clients, further cementing TSG as the industry's leading provider of advisory services," added Strawhecker.

[Read more.](#)

[Apple in Talks with U.S. Banks for Person-to-Person Payment Service](#)

11/11/15 Reuters

Apple Inc is in talks with U.S. banks to develop a person-to-person mobile payment service, the Wall Street Journal reported. The talks are ongoing and it is unclear if any of the banks have signed an agreement with Apple, the Journal said, citing people familiar with the matter. The service, which would compete with PayPal Inc's popular Venmo, would allow users to transfer funds from their checking accounts through Apple devices.

Related:

- [Apple vs. Venmo: How Apple Pay Stacks Up Against P2P Payment Competition Square Cash, Facebook, Google, Snapchat, Paypal](#)
- [Apple Takes Aim at PayPal's Venmo](#)

[Square Sticks to the Script as It Prepares for Its I.P.O.](#)

11/11/15 The New York Times

The hundreds of investors who attended Square's initial public offering marketing lunch on Wednesday could have asked management the toughest questions. They could have sought clarity on how the payment start-up's chief executive, Jack Dorsey, would achieve profitability while splitting his

veterans' groups were opposed to Lin's winning design, which lacked a standard memorial's heroic statues and stirring words. However, a remarkable shift in public opinion occurred in the months after the memorial's dedication. Veterans and families of the dead walked the black reflective wall, seeking the names of their loved ones killed in the conflict. Once the name was located, visitors often made an etching or left a private offering, from notes and flowers to dog tags and cans of beer. [Click here to read more.](#)

time as chief executive of Twitter. They could have asked about the protection for one class of investors at the expense of others - known as a ratchet - that is embedded in its later round and will most likely take effect at the offering.

[Square's Roadshow Video](#)

[Three Tough Questions Square Will Face During Its IPO Roadshow](#)

11/09/15 Recode

After announcing its initial IPO price range last week, Square's executive team will meet with investors during its roadshow, which starts this week in San Francisco, New York and Boston and continues next week in a few more cities. The point of the roadshow is to drum up investor interest as well as answer any nagging questions potential investors may have ahead of the big event.

[ETA Helps Tech Companies Find Opportunity in \\$5 Trillion Payments Industry](#)

11/10/15 PR Newswire

ETA and The Strawhecker Group revealed the latest research on the future of FinTech at TRANSACT Tech. The report shows the payments industry is a lucrative growth sector for startups and established industries alike because it embraces innovation and companies are eager to form partnerships to fill gaps or gain a competitive edge in the marketplace. ETA Members can access the report here. Globally, the report found that nearly 800 payments mergers and acquisitions occurred between September 2014 and September 2015, netting an average price of about \$90 million per deal. Half of those deals were in the U.S. market. Top company categories include crypto currency, mobile payments and card processors.

[The Dark Art of Buying Back Stolen Card Data](#)

11/09/15 BTN

There are many potential buyers of stolen bank account data, including the banks themselves. But fraudsters are increasingly reluctant to sell their data back to its original owner. Security experts say the banks' strategy of buying their stolen data is an effective and inexpensive way to determine the source of a breach and suppress criminal activity. But at the same time, the most sophisticated black-market "card shops" are getting less welcoming to outsiders.

[Apple's Tim Cook Says Cash Will Be Dead for the Next Generation of Kids](#)

11/12/15 Quartz

Apple CEO Tim Cook is making another bold prediction about money. Back in January, he forecasted that 2015 would be the year of Apple Pay (a claim that hasn't come to fruition, but is looking less and less absurd.) And now, he's telling university students that their future children will be totally unfamiliar with the concept of cash.

[Vantiv Supports Virtual Reality in Payments](#)

11/13/15 PYMNTS

Hackathons are sort of de rigueur these days - and Matt Ozvat, VP of Developer Integrations at Vantiv, recently participated as a judge in one that brought together nearly 800 developers from across the globe. But Ozvat did more than just act as a judge. Vantiv provided access to its own APIs as well as other hardware and technologies in the areas of virtual reality, wearables, and the Internet of Things to see if the

developers would rise to the challenge of creating an innovative experience for consumers at the point of sale.



Mobile Payments & Bitcoin

Credit Unions Prepping for Samsung Pay, Android Pay As Samsung Offers \$50 to New Users

11/11/15 Digital Transactions

With no shortage of mobile-payments options available to users, backers of Android Pay and Samsung Pay are trying to entice consumers by making their services more broadly available and by offering rebates.

Institutions using The Members Group, a credit-union service organization, soon will be able to enroll their customers in Android Pay and Samsung Pay, the Des Moines, Iowa-based company announced Tuesday. The Members Group says some of its clients expect to test Google Inc.'s Android Pay and Samsung Electronics Co. Inc.'s Samsung Pay later this year and in 2016.

NextBank Aims To Be The First All-Bitcoin Financial Institution

11/12/15 Tech Crunch

Woe betide traditional banking because Dmitry Voloshinskiy and his team are on the prowl. Voloshinskiy is the founder of the NextBank Project, an attempt to create a truly bitcoin-based bank. The team has raised \$950,000 so far using personal money and angels, and they hope to attract more. What is a BTC bank? First, they're looking to attract the bitcoin crowd.

Where Can You Use Apple Pay? This App Can Help

11/10/15 Fortune

You have Apple Pay and you love it, but you don't use it very often because you have no idea which stores accept it-sound familiar? Apparently it's a common problem among Apple Pay users. That's why apps to help solve that information gap have been surfacing. The latest one, first picked up by Re/code, is from Brian Roemmele, a digital payments entrepreneur and consultant. Pay Finders, as it's called, combines crowdsourced data from Apple Pay users, companies, and other sources to show users where they can use Apple Pay.

Sending Money Overseas: Could the Blockchain Hold the Answer?

11/12/15 Visa Europe

We believe there's a real opportunity to develop an improved remittance service for both the sender and receiver of payments in terms of fees, speed and ease of use. That's why we have partnered with Epiphyte, a startup specialising in distributed ledger solutions for the mainstream financial market, to see if blockchain technology holds the key. We're working with them on a proof of concept to run a series of simulations within a test environment and explore an alternative to conventional remittance processing.

MasterCard to Use Cardtek Software for NFC Payments

11/11/15 ISO & Agent

MasterCard is integrating software developer Cardtek's HCEXpert solution to enable Near Field Communication-based mobile payments for customers of MasterCard Payment Transaction Services, a unit of MasterCard. Cardtek develops software for financial transactions and provides of EMV migration solutions. Its HCEXpert product is a cloud-based mobile payment platform that handles digitized credit, debit and prepaid cards.

Overstock Explores Spin-off of Cryptotrading Unit

11/13/15 Finextra

Online retailer Overstock is preparing to split off its blockchain trading subsidiary Medici, after revealing that it spent \$8 million on the business this year, pushing the company into the red for the first time in nine successive quarters.

Regulation & Security

The Front Lines on Online Fraud in the U.S.

11/11/15 Internet Retailer

No, there's not an 85- to 90-year-old man who buys cheap stuff online and ships it to Delaware from his Alaska address. But that's what the most fraudulent consumer in the United States would look like if all the characteristics were stitched together, according to a new study.

FFIEC Updates Cybersecurity Expectations for Boards

11/13/15 Bank Info Security

The Federal Financial Institutions Examination Council's updated guidance for bank examiners, released this week, stresses that executives and boards of directors must approve IT plans that contain strategies for addressing emerging and ongoing cyber threats.

So You've Been Breached

11/11/15 TechCrunch

Breaches happen the way Hemingway said you go bankrupt: gradually then suddenly. There is no telling where and when a hacker can enter your servers and there is no telling when or where all of your customer's private information will appear - whether neatly packaged for sale on the dark web or splashed on a torrent site. All that is clear, however, is that breaches affecting millions of people are now commonplace and smart companies are getting hit all the time.

Arrests in JP Morgan, eTrade, Scottrade Hacks

11/10/15 KrebsSecurity

U.S. authorities announced multiple indictments and arrests in connection with separate hacking incidents that resulted in the theft of more than 100 million customer records from some of the nation's biggest financial institutions and brokerage firms, including JP Morgan Chase, E*Trade and Scottrade. Prosecutors in Atlanta and New York unsealed indictments against four men and one unnamed alleged co-conspirator in connection with a complex, sprawling scheme to artificially manipulate the price of certain publicly traded U.S. stocks.

Economy

US Retail Sales Crawl Upward in Oct., Led by Online Shopping

11/13/15 ABC News

Americans ramped up their online shopping and restaurant spending in October, but barely-there inflation kept overall retail sales growth muted. The Commerce Department said Friday that retail sales rose a seasonally adjusted 0.1 percent last month, after being unchanged in September and August. Over the past 12 months, sales have risen 1.7 percent. Lower gasoline costs and meager inflation have downplayed the extent of consumer spending, as the retail sales report is not adjusted for price changes.

Related: [Macy's Cuts Full-Year Forecast, Sends Shivers Through Retail](#)

Several Fed Officials Say They Are Ready to Raise Rates

11/12/15 The New York Times

Federal Reserve officials, poised to start raising the central bank's benchmark interest rate in Dec, are turning from the question of whether to act to how quickly the Fed should raise rates thereafter. William C. Dudley, the president of the Federal Reserve Bank of New York and the first senior Fed policy maker to signal in late August that the Fed wasn't quite ready to raise rates, said on Thursday that his reasons for hesitation have receded. Now, he said, he sees a stronger case for moving ahead.

Is the Economy Overheating? Here's Why It's So Hard to Say

11/09/15 The Upshot

Let me tell you a story of the battle between the "inflation targeters" and the "accelerationists." You'll want to hear this bit of economic history because you want to know whether the Fed might raise interest rates after the latest rosy employment report. The Fed is struggling with what conclusions to draw from the recent uptick in wage growth, because despite that uptick, wage growth remains anemic.

China's eCommerce Company Alibaba Sells Record \$14.3B on Singles Day

11/11/15 USA Today

Chinese e-commerce company Alibaba did a record \$14.3 billion in sales on Singles Day Wednesday, breaking last year's record and blowing past its estimates of \$11 billion in sales. The precise sales figure as the clock struck midnight was \$14,341,847,366, according to Alibaba. Mobile sales made up the bulk of orders - 69%, Alibaba Group Holding Limited said.

Payments Press

Blackstone Will Invest \$820M in NCR

11/12/15 Atlanta Business Chronicle

Automated teller machine maker NCR Corp. announced early Thursday details of a partnership deal with Blackstone Group LP, the world's largest private equity firm. Affiliates of Blackstone will invest more than \$820 million in NCR. Duluth, Ga.-based NCR said it expects its relationship with Blackstone to accelerate its ongoing transformation into an integrated software and services company.

Verifone Adds Payment as a Service Capabilities in Germany with Acquisition of InterCard AG

11/09/15 Verifone

Verifone announced that it has signed an agreement to acquire InterCard AG, a leading Payment as a Service provider in Germany. "This announcement reaffirms our commitment to meeting the needs of our retail clients who are increasingly seeking new services and assistance as they grow across Europe. The acquisition of InterCard will provide retailers with access to a fuller suite of payment acceptance services across the continent," said June Felix, President Verifone Europe.

MasterCard Expands Consumer Protection Across the Globe

11/11/15 MasterCard

MasterCard announced an industry first in its move to create one global Zero Liability promise for consumers. Under the new program, consumer and small business cardholders will enjoy added protection from unauthorized transactions. "Over the past few years, consumers have grown increasingly concerned about the security of their data and account information, and liability for unauthorized transactions," said Nancy O'Malley, chief payment system integrity officer, Enterprise Security Solutions at MasterCard.

TSYS Certifies TranSend's RevChip EMV Software

11/10/15 TSYS

TSYS and TranSend, a provider of infrastructure software to the payments industry, announced the certification of RevChip™, TranSend's comprehensive EMV® application tailored to the U.S. market. Compatible with Ingenico and Verifone point-of-sale (POS) terminal hardware, RevChip eliminates extensive EMV security certifications for Value-Added Resellers (VARs), Integrated Software Vendors (ISVs) and their respective merchant customers by removing their systems from the flow of sensitive card data.

Square Expands its Payroll Service to Texas

11/12/15 VB

Square is rolling out its Payroll service to Texans, marking the first time the product has expanded outside of California. Square first launched Payroll over the summer. The service handles all aspects of employee payment, with a focus on hourly employees, and charges a monthly fee of \$20 plus \$5 per employee. Payroll also accommodates salaried employees and automatically manages tax filings, sick and holiday leave, as well as workers' compensation claims.

Mercury Payment Systems and UniteU Partner to Bring Omnichannel Solutions to American Workwear

11/09/15 Vantiv

Mercury Payment Systems, a Vantiv company and a provider of payments technology and services for small and medium-sized businesses (SMBs), announced its partnership with UniteU Technologies, a leading omnichannel platform provider, to bring seamless in-store and online payments to retailers, as well as multi-channel gift card integration. The

first merchant to launch with the new offering is American Workwear, a work clothing and footwear retailer that operates eight "Whistle Workwear" branded stores in the state of Washington.

Early Warning, Chase Team Up for Authentication Solution

11/12/15 The Paypers

Chase Commerce Solutions, a payment processing and merchant acquiring division of J.P. Morgan, has teamed up with Early Warning for its payment quality and fraud mitigation services. The alliance enables fraud mitigation process to be handled in real time, which includes real-time verification of account information. This alliance also provides ACH processing security for both mid-market and large businesses.

Heartland, The Pinnacle Corporation First to Offer Integrated EMV POS Solution for Convenience Petroleum Merchants

11/12/15 Heartland Payment Systems

Heartland Payment Systems, one of the nation's largest payment processors, and The Pinnacle Corporation, a leading supplier of technology automation solutions for retail convenience stores and fuel inventory management, announced they have launched the first integrated point-of-sale (POS) system for petroleum retailers that is compliant with Europay, MasterCard, and Visa (EMV), a global standard for credit payment cards based on chip card technology.

Worldpay Tests Pay with Your Finger Technology

11/11/15 Finextra

Using technology from UK-based biometric startup Sthaler, hundreds of Worldpay employees are trying out a new way to pay - with a scan of their finger. Worldpay staff taking part in the three-week proof-of-concept have registered their finger vein template to their Visa payment card using Sthaler's 'Fingopay' system.

Sage Expands Portfolio to Support Mobile Workforces

11/09/15 The Green Sheet

Sage North America, a leading provider of business management software and services to small and medium businesses (SMBs), today announced the latest additions to its portfolio of business management solutions in Canada, Sage 50c and Sage 300c. These new Sage offerings combine the richness of the widely used accounting and business management solutions by small and medium companies in Canada, Sage 50 and Sage 300, with new technology to support increasingly mobile workforces.

MasterCard Announces Executive Appointments

11/11/15 MarketWatch

MasterCard announced a series of executive appointments that will drive greater alignment and continue to evolve the company's "Global Products and Solutions" and "Operations and Technology" business units. The appointments will become effective January 1, 2016.

Silicon Valley Bank Names New COO and Digital Chief

11/10/15 American Banker

Silicon Valley Bank in Santa Clara, Calif., has hired a chief operations officer to replace Bruce Wallace, as he shifts to a more digital-focused role. The \$40 billion-asset bank, a unit of SVB Financial Group, named Michael Dreyer chief operations officer, effective Nov. 11. Dreyer was previously COO at Monitise, a U.K. mobile banking and payments

technology group. He has also been chief information officer at Visa and held senior leadership positions at American Express and the Federal Deposit Insurance Corp.

U.S. Bank Launches First Mobile Payment App for General Aviation

11/10/15 EON

Private and business aviation pilots can now pay for fueling and services directly from their phones with a new app from U.S. Bank Multi Service Aviation. MSA Pay, which went live this week, is the first mobile payment app in the general aviation space, designed specifically for the ordering, payment and back office needs of pilots.

The U.S. Merchant Acquiring Transaction Market is Extremely Active

TSG is presently assisting buyers in connecting with sellers.

TSG has been engaged to identify ISO and merchant acquiring business acquisitions and capital partnerships.

Key investment criteria includes:

- First Data back-end portfolios (with/without the sales component)
- Producing monthly Net Revenue of \$20,000 to \$35,000

If you are interested in discussing a potential transaction, please provide high level details of your business and [email us](#). Learn more about [TSG's Transaction Advisory services](#). All responses will be treated confidentially.



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