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THE STRAWHECKER GROUP



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This Day in History: 1936

We're celebrating a new look.

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Trending This Week...

M&A is off to a strong start in 2016 as [TSYS announced this week they will acquire TransFirst](#) in an all-cash transaction valued at approximately \$2.35B.

Other highlights this week include:

- [What MasterCard and Visa Earnings Say About the U.S. Economy](#)
- [Wendy's Probes Reports of Credit Card Breach](#)
- [Apple Pay and Android Pay are Coming to ATMs in the US this Year](#)
- [US Economy Grew at 0.7% Annual Rate in Final Quarter of 2015](#)
- [Huntington Bancshares to Buy FirstMerit Corp for About \\$3.4B](#)

New eReport

ISV Directory: Stand-alone Residential Property Mgmt

This eReport identifies 39 independent software providers (ISVs) that serve the stand-alone residential property management space. [Download a sample.](#)

In addition to the ISV directory, the report provides an overview of the property management market, with estimates on market size and the share attributed to the rental housing sector. The report also includes valuable data on the average ticket for rent transactions by state. This data is focused on SIC 6513 and is sourced from TSG's database of 3.3 million U.S. merchants.

US Baseball Hall of Fame Elects First Members

On January 29, 1936, the U.S. Baseball Hall of Fame elects its first members in Cooperstown, New York: Ty Cobb, Babe Ruth, Honus Wagner, Christy Matthewson and Walter Johnson.

The Hall of Fame actually had its beginnings in 1935, when plans were made to build a museum devoted to baseball and its 100-year history. A private organization based in Cooperstown called the Clark Foundation thought that establishing the Baseball Hall of Fame in their city would help to reinvigorate the area's Depression-ravaged economy by attracting tourists. To help sell the idea, the foundation advanced the idea that U.S. Civil War hero Abner Doubleday invented baseball in Cooperstown. The story proved to be phony, but baseball officials, eager to capitalize on the marketing and publicity potential of a museum to honor the game's greats, gave their support to the project anyway.

In preparation for the dedication of the Hall of Fame in 1939—thought by many to be the centennial of baseball—the Baseball Writers' Association of America chose the five greatest superstars of the game as the first class to be inducted. [Click here to read more.](#)

[Click here to purchase.](#) Priced competitively at \$1,745.



Featured

[TSYS to Acquire TransFirst to Establish Leadership Position in Merchant Solutions](#)

1/26/16 TSYS

TSYS®, a leading global payment solutions provider, today announced it has entered into a definitive agreement with Vista Equity Partners to acquire TransFirst, a Vista portfolio company and leading U.S. merchant solutions provider, in an all-cash transaction valued at approximately \$2.35 billion. TransFirst delivers merchant solutions to more than 235,000 small and medium-sized businesses in the U.S. through its proprietary technology, end-to-end customized and multi-channel products and superior customer service. The transaction enhances TSYS' offering and position in the high-growth areas of integrated payments, e-commerce and omni-channel services.

Related:

- [In a Bid to Build on Strengths, TSYS Clinches a \\$2.35B Deal to Buy TransFirst](#)
- [TSYS Reports 2015 Adjusted EPS Grew 25.5%](#)

[What MasterCard and Visa Earnings Say About the U.S. Economy](#)

1/29/16 The Street

MasterCard and rival payment processor Visa both posted higher earnings than Wall Street expected as customers increased card spending in the last three months of the year, a period including the lucrative holiday shopping season. MasterCard reported profit of 79 cents a share on Friday, topping the 70-cent average of analysts' projections, while Visa's (V - Get Report) earnings of 69 cents a share, excluding some items, compared with estimates of 68 cents. Both companies benefited from double-digit gains in purchase volume, which totaled more than \$1 trillion for each.

[Wendy's Probes Reports of Credit Card Breach](#)

1/27/16 KrebsSecurity

Bob Bertini, spokesperson for the Dublin, Ohio-based restaurateur, said the company began receiving reports earlier this month from its payment industry contacts about a potential breach and that Wendy's has hired a security firm to investigate the claims. "We have received this month from our payment industry contacts reports of unusual activity involving payment cards at some of our restaurant locations," Bertini said. "Reports indicate that fraudulent charges may have occurred elsewhere after the cards were legitimately used at some of our restaurants. We've hired a cybersecurity firm and launched a comprehensive and active investigation that's underway to try to determine the facts."

Apple Pay and Android Pay are Coming to ATMs in the US this Year

1/28/16 *The Verge*

Contactless ATMs have been available in countries like Spain and Canada for some time, but they haven't made their way to the US. That will soon change, thanks to the proliferation of mobile payment services like Apple Pay and Android Pay, banks have begun the process of bringing contactless ATM capabilities to the US. According to reports from Wired and TechCrunch, Chase, Bank of America, and Wells Fargo are all working on creating NFC-equipped ATMs, with Chase planning on rolling them out later this year.

Frictionless Payments Driving Growth at Facebook and PayPal

1/28/16 *Finextra*

The creation of a frictionless payment experience is driving innovation - and profits - at PayPal and Facebook, as both companies report a stellar set of results. PayPal's fourth quarter sales beat estimates as the vendor drew in more merchants and enticed consumers with its One Touch buy button for shopping on smartphones. CEO Dan Schulman revealed that the firm processed \$20 billion in mobile payment volume, up 45% from the same quarter in 2014, attributing much of the growth to the vendor's implementation of a single log-in and buy button for making payments at merchants.

Four Ways Millennials are Changing Commerce

1/25/16 *Inc.*

ETA's Jason Oxman: Dynamic and disruptive, millennials are one of the most powerful economic forces driving the market. Accenture estimates that millennials currently spend about \$600 billion a year and will grow to \$1.4 trillion annually and represent 30% of total retail sales. They're the archetypal connected consumer, uniquely positioned to embrace the momentous technological advancements that the payments industry is deploying on a near-daily basis.

Partners

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Mobile Payments & Bitcoin

Payments: The Last Mile of Online Customer Intimacy

1/26/16 *Mobile Commerce Daily*

When it comes to online commerce, the point at which money changes hands has often been the moment a sale falls apart. What was a carefully crafted brand experience becomes off-putting and complicated. There are confusing redirects, forms that clash with the rest of the design, and a lot of sensitive data that needs to be entered. But that is now changing, and fast. Innovative companies have stepped up their game, using technologies that make a much easier payment experience possible.

PayPal's Venmo Adds Third-Party App Payment Support

1/28/16 *Engadget*

After being dogged by scary security concerns last year, PayPal-owned Venmo is focusing on new features for its payment system. The company revealed that it will let you pay for sporting events via Gametime and gourmet meal deliveries from Munchery. The service is only available on iOS for select users to start, but Venmo plans to use the limited rollout to get feedback and will add more folks over time. The service works much as PayPal does – you just tap the Venmo icon to pay, and will be linked directly to the app for authentication. Payments are automatically added to your purchase history.

Related: [Venmo to Take On Apple Pay and Android Pay With In-App Purchases](#)

[More Than a Third of Global Online Transactions Now Mobile](#)

1/26/16 Adyen

Adyen, the global payments technology company, published the 2015 Q4 edition (Sept-Dec) of its quarterly Mobile Payments Index, which tracks mobile payment data from browser-based transactions across Adyen's customer base. The key finding of this Mobile Payments Index is that for the first time, over a third (34%) of browser-based online transactions globally are now made on a mobile device, compared to just over 30% last quarter.

[Amazon Rebuffs Idea of Partnering With PayPal](#)

1/26/16 CNET

Ever wanted to use PayPal to make purchases on Amazon? Don't hold your breath. That's the message Amazon Payments' vice president Patrick Gauthier offered in an interview with CNET on Monday when asked whether his company might someday bring PayPal's digital payments service to Amazon.com. "It's quite simple," Gauthier said. "Amazon starts with the customer. If our customers were asking for it, it would have been on Amazon already."

[Bank of America is Going Big on Blockchain](#)

1/28/16 CNBC

Bank of America is trying to steal a march on the latest developments in the technology behind digital currency bitcoin by loading up on blockchain-related patents. The company has already filed for 15 blockchain-related patents and is currently in the process of drafting another 20 to be submitted to the U.S. Patents and Trademark Office later this month, a spokesperson told CNBC on Wednesday.

Related: [How the Blockchain is Being Used Beyond Bitcoin and Finance](#)

[Everybody Says Payments Will Be on the Blockchain in the Future](#)

1/29/16 Business Insider

Will businesses of the future use cryptocurrencies for payments? Mark Højgaard thinks so. "If you talk to any financial institution today, everybody says payment will be on the blockchain in the future," the CEO of Danish cryptocurrency business told Business Insider. "I think we're beyond where we're wondering if the blockchain will be used for payments or not."

[Australian Bank Boycott of Apple Pay Continues as NAB Rolls Out Android Rival](#)

1/25/16 Finextra

National Australia Bank has launched a new mobile payment service for Android smartphones, NAB Pay, as the country's biggest banks continue

their boycott of iOS rival Apple Pay. Available as part of the bank's Mobile Internet Banking app, customers with a compatible Android mobile device and a NAB Visa Debit Card can start using NAB Pay from today.



Regulation & Security

Why Cybersecurity Will Become One of Hottest Industries Globally by 2020

1/28/16 LTP

Cybersecurity is one of the most relevant and sensitive topics across FinTech sectors. Recent stories of data breaches across industries that have occurred with major players have left a bad aftertaste and made users extra cautious about sharing personal information. If previously we used to automatically hit the "Accept" button with long lines of data points we give access to, now is the time to take an extra minute to actually read what you are giving away.

Most Shoppers Indifferent to Merchant Data Breaches, Survey Finds

1/27/16 Digital Transactions

Consumers seem to be very forgiving of retailers who experience data breaches, according to findings from a recent survey for the Merchant Acquirers' Committee, a trade group of payment processors. Most customers resume shopping and using a payment card at a breached retailer within a few months, and among those that don't go back, only 6% cite a breach-related reason, results show.

Global Study Shows Increasing Security Risks to Payment Data and Lack of Confidence in Securing Mobile Payment Methods

1/26/16 Gemalto

With acceptance of mobile and other new forms of payments expected to double in the next two years, a new global study shows a critical need for organizations to improve their payment data security practices. This is according to a recent survey of more than 3,700 IT security practitioners from more than a dozen major industry sectors independently conducted by the Ponemon Institute on behalf of Gemalto, the world leader in digital security.

House to Take Up Choke Point

1/25/16 Congress.gov

The House next week is expected to take up a few Financial Services Committee bills that could help out some banks, according to a committee notice sent to lawmakers yesterday. One in particular from Rep. Blaine Luetkemeyer (R-MO), H.R.766 - Financial Institution Customer Protection Act of 2015, to counter the administration's Operation Choke Point, which Republicans have criticized for cutting off certain industries - like payday lenders and gun sellers - from the banking system.

Passwords May Soon Be Passé

1/28/16 Tech Crunch

The early January theft of more than 320,000 user emails and passwords

from cable giant Time Warner gave validation to the argument that simple password authentication is becoming less and less reliable. But the Time Warner Cable hack is far from being the worst case of identity theft. In fact, it's quite insignificant compared to some of the more severe cases we've seen in the past year, including the five million user records stolen from toy manufacturer VTech, the 21 million federal employee records stolen from the Office of Personnel Management and the 80 million customer records stolen from healthcare service provider Anthem.

Bank of England to Develop Blueprint for Overhaul of UK Payments System

1/27/16 Finextra

The Bank of England is developing a blueprint to modernise the UK's 20-year old real-time gross settlement system to deal with changing payment habits and the emergence of distributed ledger technology. In a speech to payment stakeholders, Minouche Shafik, deputy governor for markets and banking, says that as the range of cashless, real-time and mobile payments options continue to increase it is "time to ask fundamental questions about the shape of the Bank's settlement operations".

Economy

U.S. Economy Grew at 0.7% Annual Rate in Final Quarter of 2015

1/29/16 The New York Times

The American economy barely grew last quarter, finishing the year much as it had started and stoking concern about its momentum in 2016. Overall, the economy expanded at an annual rate of just 0.7 percent in the fourth quarter of 2015, the Commerce Department said Friday. Little more than a month ago, economists thought growth was running at more than twice that pace, but data showing tepid business activity, still-sizeable inventories and slightly more cautious consumer spending during the holiday season indicated that the economy was likely in the midst of another anemic patch.

Related: [Stocks Climb After US Economy Slows](#)

Fed Closely Watching Developments; Rate Path Still 'Gradual'

1/27/16 Bloomberg

Federal Reserve officials left interest rates unchanged and said they still expect to raise borrowing costs at a "gradual" pace while watching to see how the global economy and markets impact the U.S. outlook. The Federal Open Market Committee is "closely monitoring global economic and financial developments and is assessing their implications for the labor market and inflation, and for the balance of risks to the outlook," the central bank said in a statement Wednesday following a two-day meeting in Washington.

A Scary E-Commerce Earnings Season for Companies Not Named 'Amazon'

1/27/16 Recode

Twenty years into its life, and coming off great third-quarter results, one holiday quarter likely won't make or break Amazon. But the earnings season that is about to start is a lot more critical for several other public companies in e-commerce and traditional retail. Here's a look at the situation with a few of them.

Huntington Bancshares to Buy FirstMerit Corp for About \$3.4 Billion

1/26/16 Reuters

Huntington Bancshares Inc said on Tuesday it has agreed to buy Ohio-based FirstMerit Corp for about \$3.4 billion in a cash-and-stock deal. Huntington expects the deal, which would combine two of Ohio's midsize banks, to add to its earnings per share in 2017, excluding one-time merger-related expenses. The deal, which is expected to be completed in the third quarter of 2016, is the latest in a string of mergers among smaller U.S. banks, spurred by years of near-zero interest rates and higher costs related to stricter regulations imposed since the financial crisis.

Related: [Major Deals in the Midwest](#)

USA Technologies Acquires VendScreen Assets

1/25/16 BusinessWire

USA Technologies, Inc., a premier payment technology service provider of integrated cashless and mobile transactions in the self-service retail market, today announced it has acquired the cloud-based content delivery platform, device platform and products, customer base, and intellectual property of VendScreen, Inc. of Portland, Ore., a leading developer of vending industry cashless payment technology.

PayPal's Q4 Earnings, Sales Beat Views As Payments Jump

1/27/16 Investor's Business Daily

PayPal beat Wall Street's Q4 top- and bottom-line expectations on solid payment volume and customer account growth. After the close Wed., the payments company said Q4 sales rose 17% from the year-earlier quarter, to \$2.6 billion, with 1% of that growth stemming from its Xoom acquisition, completed during the quarter. The company reported earnings per share minus items of 36 cents, up 21%. Analysts polled by Thomson Reuters had expected 35 cents EPS on sales of \$2.51 billion.

Visa Launches Commerce Network to Drive Merchant Sales and Deliver New Cardholder Benefits

1/29/16 BusinessWire

Visa Inc. announced the launch of Visa Commerce Network, a new way for merchants to create online and in-app commerce experiences to acquire new customers, drive loyalty and increase sales with relevant offers. Visa Commerce Network is built on the world's largest electronic payment network, VisaNet, and can be easily utilized by merchants through a variety of simple, commerce application programming interfaces (APIs).

MasterPass by MasterCard to Make Booking Travel Even Easier for JetBlue

1/26/16 MasterCard

MasterCard added JetBlue as its latest merchant to accept digital payments with MasterPass. MasterPass will be available later this year on the airline's website and mobile app, giving customers the opportunity to speed the booking experience. With MasterPass, shoppers can pay for the things they want at thousands of merchants with the security they demand, anywhere online or in app, using any device. The wallet securely stores shoppers' preferred payment and shipping information which is readily accessible when they click on the "Buy with MasterPass" button and sign into their account.

Vantiv's OmniShield Assure™ and Mercury's StoreCard™ Named Winners in 10th Annual Pay Awards

1/27/16 Vantiv

Vantiv, Inc., a leading provider of payment processing services and related technology solutions for merchants and financial institutions of all sizes, announced that two of its products have won major awards. Paybefore, a leading information provider to prepaid, mobile and emerging payments industry professionals, has selected Vantiv's OmniShield Assure a 2016 Pay Awards winner in the Fraud Fighter category, as well as Mercury StoreCard in the Best Choice Retail Card category. For 10 years, Pay Awards has recognized excellence in the worldwide prepaid, mobile and emerging payments industry.

Fiserv Sharpens Small-Bank Focus in ACI Deal

1/28/16 American Banker

Fiserv's recent deal with ACI Worldwide speaks to the vendors' attitudes about community banks - Fiserv is taking a deeper dive into that customer base, while ACI is looking to swim in a bigger pond. Fiserv is set to buy ACI's community financial services business this quarter for \$200 million, the companies announced last week. The deal will significantly increase the number of products Fiserv offers community banks and credit unions. For ACI, the deal allows it shed some of the pieces of past acquisitions and sharpen its focus.

Investor Wants Prepaid Debit Firm Green Dot to Dump its CEO

1/25/16 Los Angeles Times

A San Francisco hedge fund wants prepaid debit card firm Green Dot Corp. to boot founder Steve Streit from the corner office, saying the longtime chief executive has mismanaged the company, resulting in big losses over the years. Harvest Capital on Monday sent a letter to Green Dot's board of directors, saying the Pasadena company needs to bring in a more experienced CEO to replace Streit and make other changes to reverse a long slide in the company's share price.

Chase ATMs to Give Cash Via Smartphones

1/26/16 USA Today

The machines are definitely getting smarter. JPMorgan Chase said it is upgrading its entire fleet of ATMs this year to include several new perks - including the option to withdraw money using a smartphone. The first phase of the rollout will let customers withdraw cash from a Chase ATM using a one-time pin number that will be sent to their smartphones, said JPMorgan spokesman Michael Fusco.

Discover Financial Services Reports Fourth Quarter Net Income of \$500 Million or \$1.14 Per Diluted Share

1/27/16 Discover

Discover Financial Services reported net income of \$500 million or \$1.14 per diluted share for the fourth quarter of 2015, as compared to \$404 million or \$0.87 per diluted share for the fourth quarter of 2014. The company's return on equity for the fourth quarter of 2015 was 18%.

Business Services is Fastest Growing Segment of Middle Market

1/28/16 American Express

The burgeoning service economy is significantly outpacing more traditional industry sectors in its rate of business growth among middle market companies, according to the Middle Market Power Index Exploring Generational Changes in Middle Market Industries from

American Express and Dun & Bradstreet. While manufacturing and wholesale trade continue to remain key industries for middle market companies, the index shows a gradual shift in the industry composition of the middle market sector, defined as those with revenues between \$10 million and \$1 billion, with service businesses quickly gaining ground.

Bluefin Payment Systems and CDE Partner for PCI-Validated Point-to-Point Encryption (P2PE) Hardware

1/26/16 Yahoo! Finance

Bluefin Payment Systems, the leading provider of PCI-validated Point-to-Point Encryption (P2PE) solutions for retail, healthcare and education, today announced a new partnership with audited encryption service organization (ESO) CDE. CDE will join Bluefin's list of P2PE Key Injection Facilities (KIFs) for the company's PCI-validated P2PE devices and provide deployment services to Bluefin clients and partners.

W.net Appoints Moffett as New Executive Director

1/25/16 The Green Sheet

Women Networking in Electronic Transactions (Wnet) announced today that it has hired a new Executive Director. Wnet has selected Lisl Moffett as Executive Director. Moffett brings more than 18 years of global non-profit association leadership to Wnet. She is responsible for Wnet's membership and sponsorship development, as well as all program design and delivery.



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