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THE STRAWHECKER GROUP
The Trusted Advisor To The Payments Industry



Jan. 3rd, 2014
Edition #385

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Trending This Week...

Happy New Year NewsFilter Subscribers!

[Buzz surrounding the recent Target breach continues](#) into the new year. USA Today has published [their opinion](#) on the matter, followed by [the opinion of Jason Oxman](#), CEO at ETA.

Other highlights include:

- [ISOs Remain Wary of Industry's New Entrants](#)
- [Kanye West Now Has His Own Cryptocurrency and It's Called Coinye](#)
- [Mobile Payments Predictions for 2014](#)
- [MasterCard SpendingPulse: U.S. Holiday Retail Sales Improve Year Over Year](#)



Featured

[Target Card Breach and What to Do - The Debate Begins](#)

[USA Today's View](#)

When thieves hacked into credit and debit card data of as many as 40 million Target customers over the holidays, the breach rattled nerves and roiled Christmas shopping. But the truth is, if you shopped at Target between Nov. 27 and Dec. 15 while thieves were hacking data, you're unlikely to lose a dime. Federal law and industry practices protect

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[Merchant Aggregation](#)

[Acquirer Strategic Assessment](#)

[TSG MPPS Benefits](#)

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[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 Smart Phone to Buy Things!](#)

This Day in History: 1990 Noriega Surrenders to U.S.

On this day in 1990, Panama's General Manuel Antonio Noriega, after holding up for 10 days at the Vatican embassy in Panama City, surrenders to U.S. military troops to face charges of drug trafficking. Noriega was flown to Miami the following day and crowds of citizens on the streets of Panama City rejoiced. On July 10, 1992, the former dictator was convicted of drug trafficking, money laundering and racketeering and sentenced to 40 years in prison.

Noriega, who was born in

virtually all customers from any liability for fraudulent charges. The real problem is that so many breaches occur in the first place.

[ETA's View](#)

Headline-grabbing events inevitably lead to calls for new laws. But in the case of our nation's electronic payments systems, new government mandates would stifle marketplace innovations that hold great promise for providing consumer benefits and reducing criminal activities. Financial institutions compete for customers by providing consumer protections even beyond requirements of current law. If a criminal steals a \$20 bill from my wallet, it's gone for good. But if I see a \$20 fraudulent charge on my credit card statement, that criminal activity costs me nothing. *Please vote in the quick poll halfway through the article.*



[Kanye West Now Has His Own Cryptocurrency and It's Called Coinye](#)

1/02/14 TIME

If you couldn't get behind Bitcoin, the peer-to-peer digital cryptocurrency that's as volatile as your weird uncle when he's 3 glasses of gin deep, perhaps Coinye West is more your style. Like Dogecoin, the digital currency stamped with the glorious face of the Internet's favorite Shibu Inu, the soon to debut Coinye West is piggybacking off of the success of Bitcoin and creating its very own unregulated currency that they hope Kanye himself will get behind.



[ISOs Remain Wary Of Industry's New Entrants](#)

12/31/14 ISO & Agent

In the past few years, the payments industry has experienced a flood of new offerings—from consumer-facing giants like PayPal and Google to Silicon Valley startups such as Square. The influx has left ISOs and agents wondering whether the new entrants regard them as competitors or potential allies. In fact, established payment companies identify the risk of displacement as their main concern about new entrants and emerging payment technology, according to the 2013 survey "New Entrants in Payments: The Incumbent Perspective," by the Electronic Transactions Association and Goldman Sachs.

[Payments Execs Forecast Trends For Year Ahead](#)

12/27/13 PYMNTS

Of course, payments industry execs would be wise to acknowledge the six things that are most shaping payments as listed by Market Platform Dynamics (MPD) CEO Karen Webster and to be thinking much farther ahead than 2013 if they want to be relevant when 2014 is done. But, that doesn't mean that payments execs can't glean additional insight from their peers into how certain sectors will evolve in the coming days and weeks.

[2013: The Year Merchants Learned to Love Bitcoin](#)

1/02/14 CoinDesk

Tomorrow sees bitcoin's fifth anniversary. When Satoshi Nakamoto flipped the switch on the first bitcoin client on 3rd January 2009, there wasn't a single merchant for the product. Now there are thousands. But

Panama in 1938, was a loyal soldier to General Omar Torrijos, who seized power in a 1968 coup. Under Torrijos, Noriega headed up the notorious G-2 intelligence service, which harassed and terrorized people who criticized the Torrijos regime. Noriega also became a C.I.A. operative, while at the same time getting rich smuggling drugs.

In 1981, Omar Torrijos died in a plane crash and after a two-year power struggle, Noriega emerged as general of Panama's military forces. He became the country's de facto leader, fixing presidential elections so he could install his own puppet officials. Noriega's rule was marked by corruption and violence. He also became a double agent, selling American intelligence secrets to Cuba and Eastern European governments. In 1987, when Panamanians organized protests against Noriega and demanded his ouster, he declared a national emergency, shut down radio stations and newspapers and forced his political enemies into exile.

[Click here to read more.](#)

why did they accept the virtual currency, and how are they faring, and what have they learned during the last, turbulent year? "Merchants give several reasons for accepting bitcoin," says Stephanie Wargo, VP of marketing at payment processing firm BitPay.

Mobile Payments

Ka-Ching: Mobile Payments Predictions For 2014

1/01/14 Forbes

There seems to be only one thing that matters in the tech world nowadays: mobile. It certainly has been the key for putting Twitter's stock into the stratosphere. But mobile has also rejuvenated companies like Groupon. Yet what about mobile payments? Will this market go mainstream? It does seem inevitable. Companies like Starbucks have shown that many consumers are ready. So to get insight on what we may see with mobile payments for the upcoming year, I had a chance to get some commentary from top operators in the business.

Meet Square's Francoise Brougher, Jack Dorsey's New Secret Weapon

1/02/14 Re/code

In 2013, Twitter was the most-talked-about initial public offering in tech and media circles, thanks in part to its broad adoption in those industries as well as its cast of colorful co-founders, including Jack Dorsey. This year, Dorsey's other company is considering its own IPO: Square, the payments-industry startup whose sleek hardware and software enables business owners to accept credit and debit card purchases using smartphones and tablet computers.

Does It Make Any Sense for Overstock.com to Accept Bitcoin?

12/27/13 BusinessWeek

Right now, merchants seem to accept Bitcoin for three main reasons: They want press coverage, they're libertarian fellow travelers, or they're selling drugs. Assuming that last one doesn't apply to Overstock.com (OSTK), its announcement that it will begin accepting Bitcoin by mid-2014 seems to be some mix of the first two reasons. The online retailer, whose 2012 revenue totaled \$1.1 billion, is the largest yet to jump on the Bitcoin bandwagon.

Google Lets Customers Activate Cards in Mobile Wallet App -- Will Banks Follow?

12/31/13 American Banker

Google Wallet users can now activate the accompanying plastic Google Wallet card through the mobile app, a process that will become increasingly common as mobile payments advance, experts say. The Google plastic card, a recent addition to the Google Wallet offering, lets consumers use their Google Wallet or a linked bank account at merchants that don't accept contactless Near Field Communication payments. After a consumer orders the card, the Google Wallet app asks at every login whether the card has arrived and needs to be activated.

Amazon, DoubleBeam Divide Up Mobile POS Firm GoPago

12/31/14 Mobile Payments Today

TechCrunch has provided an update on its report about Amazon's acquisition of the mobile POS system provider GoPago. The site now reports that Amazon has bought Pasadena, Calif.-based GoPago's technology and its engineering team, but that Amazon has not acquired GoPago's business or existing merchant relationships. In a separate deal, these have been acquired by DoubleBeam, a provider of white-labelled

mobile payments services.



Regulation & Security

Target Card Breach Goes From Bad to Worse

12/30/13 StorefrontBacktalk

It seems like every day we hear about more after-effects of Target's 19-day credit and debit card breach that resulted in the theft of an estimated 40 million credit and debit cards. From before Thanksgiving through December 15, shoppers in Target's U.S. stores were subject to card theft (Target and investigators are not saying how the massive, nationwide theft occurred). The data could have been used by the hackers to create counterfeit cards that could be used to withdraw money at ATMs or pay for purchases, according to reports.

Target Breach: Senators Seek Hearing

12/30/13 Bank Info Security

Three Democratic senators are calling on the Senate Banking Committee to examine whether stronger cybersecurity standards are needed to protect consumer data following a breach at Target stores that affected as many as 40 million debit and credit cards. U.S. senators Robert Menendez of New Jersey, Mark Warner of Virginia and Charles Schumer of New York, all members of the Senate Banking Committee, sent a letter Dec. 30 requesting the panel hold a hearing.

Target Says Encrypted PIN Information Stolen in Card Breach

12/28/13 BTN

Target Corp. said data related to shoppers' personal identification numbers was stolen during the recent breach of its debit and credit card system and that it's "confident" customers' accounts haven't been compromised because the information was encrypted. The PIN data that was removed can only be decrypted when it is received by Target's external, independent payment processor, Molly Snyder, a spokeswoman for the Minneapolis-based retailer, said today in an e-mailed statement. The key needed to decrypt the information never existed on Target's system and couldn't have been taken during the breach, she said.

Economy

MasterCard SpendingPulse: U.S. Holiday Retail Sales Improve Year Over Year

12/27/13 MasterCard

According to the MasterCard SpendingPulse U.S. retail holiday shopping season report, retail sales showed decent growth in 2013, with a 2.3 percent increase over last year. This estimate reflects the shopping period between November 1 and December 24, and includes the holiday categories: Apparel, Electronics, Jewelry, Luxury, and Home Furniture & Furnishings. Total retail spending (including all sectors) in the U.S. during this period was up 3.5 percent.

U.S. Consumer Confidence Rises on Better Job Outlook

12/31/14 Washington Examiner

U.S. consumer confidence jumped this month on a better outlook for hiring and overall growth, supporting other signs that show the economy could accelerate in 2014. The Conference Board said Tuesday that its index of consumer confidence rose to 78.1 in December, up from 72 in the previous month. November's figure was revised up from 70.4. Consumer confidence is nearly back to where it was before the partial government shutdown in October.

Hopeful Signs for U.S. Economy in 2014

1/01/14 *The Wall Street Journal*

Each of the past few years has ended with optimism that next year the U.S. economy will finally pull itself out of the mud. Each year, that optimism has been proven wrong. This year might just be the one that doesn't disappoint. Few forecasters, if any, foresee a boom. Instead, they predict an economy that performs better in 2014 than it has for the past several years. In a Wall Street Journal survey, forecasters expect unemployment, last reported at 7%, to fall to 6.5% by year-end.

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