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THE STRAWHECKER GROUP
The Trusted Advisor To The Payments Industry



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Trending This Week...

This week [First Data raised \\$3.5 billion in equity](#) with much of it coming from new investors, while KKR was responsible for \$1.2 billion of the capital. The new money will allow First Data to cut debt payments by about \$375 million a year.

New information on the P.F. Chang's breach came out this week as it appears [the breach was in progress for at least nine months](#). According to early estimates the breach is likely to have impacted more than 7 million cards.

In other news, [Suze Orman's prepaid cards get denied](#), while [bitcoin gets a bowl game](#).

Other highlights include:

- [What MasterCard is Doing to Stay Innovative](#)
- [Are the Best Days Over for Digital Wallets?](#)
- [Retailers Appeal Interchange Settlement](#)
- [PayPal Kills Easiest Way to Deposit a Check on iPhone & Android](#)

NEW REPORT: TSG's Gateway Analysis

TSG's latest report offers a side-by-side look at leading gateway providers. [See a preview of every page of this report.](#)

What is this report?

This report offers a detailed look at leading U.S. gateway providers, their feature/functionality, and other useful details.

How was it completed?

For this analysis, TSG utilized various industry contacts as well as its proprietary Merchant Processing Pricing Benchmark Study.

Why is this useful?

This report provides valuable insight for gateway providers, gateway users, and gateway partners.

[Transaction Advisory](#)

[Acquisition Multiples & Attrition Summary](#)

[Merchant Aggregation](#)

[Acquirer Strategic Assessment](#)

[TSG MPPS Benefits](#)

[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: 1975** **Jaws Released**

On this day in 1975, Jaws, a film directed by Steven Spielberg that made countless viewers afraid to go into the water, opens in theaters. The story of a great white shark that terrorizes a New England resort town became an instant blockbuster and the highest-grossing film in movie history until it was bested by 1977's Star Wars. Jaws was nominated for an Academy Award in the

The price is \$3,850. Please email Info@TheStrawGroup.com with questions. Following payment, TSG will email a PDF copy of the report.

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Featured

First Data May Get Lift from Infusion of Money

6/20/14 Omaha World Herald

First Data Corp., saddled with debt and losses, said Thursday that it had sold \$3.5 billion of new shares to private investors as the employer of 5,000 people in the Omaha area weighs options that might include selling stock to the public. The Atlanta-based company - which got its start in Omaha decades ago and is one of the largest processors of debit card payments - said the new money includes \$1.5 billion from existing investors and \$2 billion from new investors such as pension funds, mutual funds, asset managers and wealthy individuals.

P.F. Chang's Breach Likely Began in Sept. 2013

6/18/14 KrebsOnSecurity

The recently-announced credit card breach at P.F. Chang's Chinese Bistro appears to have gone on for at least nine months: New information indicates that the breach at the nationwide restaurant chain began on or around Sept. 18, 2013, and didn't end until June 11, one day after KrebsOnSecurity.com broke the news about the break-in.

What Mastercard is Doing to Stay Innovative

6/18/14 Technical.ly

When a company gets really big, it can become deeply set in its ways. That's a problem Ed Glassman has tackled several times throughout his career, according to a talk he gave at the Northside Innovation Festival this past Thursday in Williamsburg. The latest company he's working with to stay innovative is MasterCard. "You might see a piece of plastic and think that's the business, but we see it entirely differently than that," Glassman said in his talk.

Suze Orman And Magic Johnson Prepaid Cards Come To An End

6/18/14 Consumerist

Lending their names to a reloadable prepaid debit card might be a hot way for celebrities to make money and take up permanent residence in their fans' wallets, but they're also widely criticized for their high fees and taking advantage of unsophisticated consumers. Now the cards promoted by two big names who really should have known better, Magic Johnson and Suze Orman, are shutting down.

Bowl Game's New Name is Bitcoin St. Petersburg Bowl

6/18/14 CBS Sports

Just when you thought bowl sponsors could get any crazier, the St. Petersburg Bowl will now be sponsored by Bitcoin. Bitcoin, which is a new currency ... will sponsor a bowl game. Let that sink in for a minute. ESPN Events, a subsidiary of ESPN, has announced BitPay, the world's leader in business solutions for the bitcoin digital currency, as the new title sponsor for the annual college football postseason game played in St. Petersburg, Fla. Beginning with this year's Dec. 26 game, the bowl will now be known as the Bitcoin St. Petersburg Bowl.

Dwolla's Ben Milne on What It's Really Like Working With

Best Picture category and took home three Oscars, for Best Film Editing, Best Original Score and Best Sound. The film, a breakthrough for director Spielberg, then 27 years old, spawned three sequels.

The film starred Roy Scheider as principled police chief Martin Brody, Richard Dreyfuss as a marine biologist named Matt Hooper and Robert Shaw as a grizzled fisherman called Quint. It was set in the fictional beach town of Amity, and based on a best-selling novel, released in 1973, by Peter Benchley.

Subsequent water-themed Benchley bestsellers also made it to the big screen, including *The Deep* (1977).

[Click here to read more.](#)

Marc Andreessen

6/19/14 Inc.

Mobile-payment company Dwolla isn't the new kid on the block anymore. With 60 employees and about \$23 million in venture capital investment over the past three years, the Des Moines-based company has grown wiser from its investors, which include Union Square Ventures and Andreessen Horowitz. In 2012, Dwolla was part of Inc.'s 30 Under 30 list of promising young companies.



Mobile Payments

Are the Best Days over for Digital Wallets?

6/18/14 PYMNTS

I always wondered the origin of a phrase that everyone uses and paraphrases all the time ... and now I know. Google says it was attributed to Tom Hanks' character, Jimmie Dugan, in the 1992 movie *A League of Their Own*. The movie was all about the trials and tribulations of the fictionalized all-female professional baseball team in the 1940s that Dugan was coaching. Knowing how to overcome the hard stuff apparently made the ending to the movie really great.

Mobile Commerce Starts With the Point-of-Sale

6/16/14 ISO & Agent

Mobile commerce technology continues to change the way we purchase goods and services. Though smartphones and tablets are proliferating and capturing the imagination of consumers, as an industry, we haven't even begun to scratch the surface of their potential impact on merchants. That's because of the inherent technological limitations of legacy point-of-sale units in hundreds of thousands of retail locations - many have even grown obsolete yet are still in service.

Amazon's Fire Phone Could Spark eCommerce Evolution

6/19/14 CBC News

Online shopping giant Amazon is launching its first smartphone - the Fire - but given the crowded market it's entering, it could turn out to be more of a spark for e-commerce changes than an instant blazing success. "It's an expensive ticket to a virtual shopping mall," says Kevin Restivo, European mobility analyst for tracking firm IDC. "It'll carve out a little niche for itself, but it's not going to kick its competitors to the curb."

\$30 Billion Online Merchant Processor Digital River Adds Bitcoin Payments

6/16/14 CoinDesk

Commerce-as-a-service solutions provider Digital River - a company that processed more than \$30bn in online transactions in 2013, has announced that it has added bitcoin as a payment option for its online merchants. The offering is now available to merchants using the Minnesota-based company's SWREG solution for small and mid-sized businesses. Notably, Digital River said it is seeking to allow customers to take advantage of the savings bitcoin can bring to international transactions, indicating it now sees bitcoin as one of a number of competing options for this use.

London iBeacon Roll-out a Signal for U.S. Retail

6/18/14 FierceRetailIT

The iBeacon roll-out along London's high-profile Regent Street is an example of what iBeacon proponents think should happen in U.S. retail. This week, iBeacons along the mile-long street - essentially the Fifth Avenue of London - went active to the public after previously aggregating thousands of users. Regent Street comprises 130 retail stores, including Burberry and Hugo Boss.

Contactless Wristband Will Take The Place Of The Credit Card

6/16/14 PSFK

Financial services company Barclays has unveiled a new wearable payment system that lets people make purchases without the need for cash or for a credit card or debit card. The system is basically a silicon-made, wearable contactless wristband called bPay band, which works using the same contactless payment technology that's being used in the company's credit and debit cards.

Regulation & Security

Revamping the U.S. Payments System

6/18/14 Bank Info Security

Over the next five years, the U.S. payments infrastructure is slated to undergo a major overhaul, with the Federal Reserve leading the charge. Two Fed leaders share insights on the impact on U.S. banking institutions.

Since October 2012, the Fed's financial services branch, which provides payments services to U.S. banks and credit unions, has been focused on offering services that could enhance the consumer payment experience. Over the last 12 months, the Fed has been reviewing how the role it plays in payments might expand, says Sean Rodriguez, senior vice president of industry relations at the Federal Reserve's financial services branch.

Retailers Appeal Interchange Settlement

6/16/14 CreditUnionTimes

Retailers displeased with U.S. District Court Judge John Gleeson's adjudicated settlement of litigation surrounding credit card interchange appealed his decision Monday. Judge Gleeson, pictured at left, approved a negotiated settlement between retailers and defendants Visa, MasterCard and six major banks. Lawyers representing 13 individual retailers and six trade associations ranging from convenience stores to restaurants announced a \$7.25 billion proposed settlement in 2013.

Here's How Google Makes Money From Stolen Credit Cards

6/17/14 Business Insider

You don't have to navigate sketchy websites to obtain stolen credit card information. According to a new report, it's surprisingly easy to find stolen credit card numbers, social security numbers, and other types of personal information through YouTube. And Google has probably made more than \$1 billion from it, according to estimates.

Payday Loans Worry Consumers, Regulators, and Lawmakers Alike

6/16/14 The Guardian

It seems that Richard Cordray, the director of Consumer Financial Protection Bureau, CFPB, just couldn't catch a break this week. As he's been trying to get people talking about mobile banking technology, his

speeches have been overrun by feisty debates and challenges on the issue of payday loans. Payday loans are short-term loans, often available in lower-income areas, that feature punishingly high interest rates and put users on a cycle of heavy indebtedness.

Economy

Federal Reserve Sees Slower Growth, but Maintains Plans to Trim Stimulus

6/18/14 The New York Times

The Federal Reserve on Wednesday sharply cut its economic forecast for 2014 even as it said the economy had bounced back after a nasty winter, allowing the central bank, in its view, to continue to retreat from its stimulus campaign. A mélange of policy documents and public remarks by the Fed's chairwoman, Janet L. Yellen, carried the message that the Fed expected the recovery to maintain its slow and steady pace, and affirmed that the Fed intended an equally slow and steady retreat from its supporting role.

U.S. Jobless Claims Fall, Point to Firming Labor Market

6/19/14 Reuters

The number of Americans filing new claims for unemployment benefits dipped more than expected last week, pointing to strengthening labor market conditions. Initial claims for state unemployment benefits slipped 6,000 to a seasonally adjusted 312,000 for the week ended June 14, the Labor Department said on Thursday. The prior week's claims were revised to show 1,000 more applications received than previously reported. Economists polled by Reuters had forecast first-time applications for jobless aid falling to 314,000 last week.



Payments Press

Hoping to Boost Volume, Dwolla Debuts A Service That Simplifies Sending Payments

6/18/14 Digital Transactions

Alternative payment network Dwolla Inc. has added Dwolla Direct, a method for individuals and organizations to send a payment via the network without registering for a full Dwolla account. Instead, they complete an online form that asks for an e-mail address, password, and bank account information. The process takes place on four screens, and happens in as little as 15 seconds. The payment flows as a debit on the automated clearinghouse network. Recipients must have a Dwolla account to receive the funds.

Oracle's Reported \$5B Acquisition of Micros Firms Up Its Reach into the Hospitality Industry

6/17/14 VentureBeat

Oracle has reportedly set its sights on another company that could diversify its product lineup, with more hardware, interestingly. The legacy database giant is close to paying more than \$5 billion for publicly traded Micros Systems, which sells hardware and software for use in hotels, restaurants, stores, and back-office facilities, Bloomberg

reported. Oracle did not immediately respond to VentureBeat's request for comment.

First Data Introduces InsighticsSM Solution for Small Business

6/17/14 First Data

First Data Corporation, the global leader in payment technology and services solutions, today introduced its InsighticsSM solution for small and medium-sized businesses (SMBs). Insightics is an innovative cloud-based software that unlocks the power of big data behind payment transactions to give SMB merchants the ability to monitor key business metrics affecting their business, better understand customers to engage effectively, and derive more value from marketing and loyalty programs to grow revenue.

PayPal Kills Easiest Way to Deposit a Check On iPhone & Android

6/16/14 Gotta Be Mobile

If you want to do mobile banking from iPhone or Android, PayPal just killed off the easiest way to deposit a check on the iPhone and Android, and the only way many credit union and community bank users could remotely deposit a check with the iPhone. PayPal announced in an email this morning that the company will no longer allow users to deposit a check on the iPhone or Android using the built-in camera and the PayPal app.

VeriFone: Is HCE the Game Changer for NFC-based Mobile Payments

6/19/14 VeriFone

There's a paradox at the heart of mobile payments' spectacular growth. On a global basis, the use of mobile devices for payments of all kinds is booming: Gartner Group projected worldwide mobile payment transactions for 2013 would total \$235.4 billion, an impressive 44% increase over the previous year's \$163.1 billion. Future forecasts for mobile's growth are equally rosy.

LevelUp to Build BLE into Payments Terminals

6/18/14 NFC World

US mobile payments service LevelUp is to provide its merchants with the ability to push offers to shoppers via Bluetooth Low Energy (BLE) beacons built into the next version of its POS device. The move follows a pilot with 20 merchants in Boston which saw participating retailers experiencing a 22% lift in the volume of LevelUp transactions made by customers.

Vantiv Launches Innovative Solution for Testing and Certifying EMV

6/16/14 Vantiv

Vantiv, Inc., a leading provider of payment processing services and related technology solutions for merchants and financial institutions of all sizes, announced today the launch of its VIABLE EMV testing platform. Based on significant industry research, VIABLE is a solution for merchants designed to simplify the EMV enablement, testing and validation process.

Cardinal Industry-Foundational Patents Affirmed; Cardinal and SecureBuy Settle Patent Dispute

6/17/14 MarketWatch

CardinalCommerce (Cardinal), the pioneer and global leader in authenticating remote payments and enabling payment brands, and

SecureBuy, an industry leader in fraud prevention and security technology, announced that they have entered into a settlement of a dispute that began late last year. In November of 2013, SecureBuy filed suit against Cardinal and challenged Cardinal's Universal Merchant Platform related inventions in the US Patent & Trademark Office and in Federal court.

Global Payments and Bigcommerce Sign Agreement to Offer Merchants the Ability to Add Online Presence

6/18/14 Global Payments

Global Payments Inc. has signed an agreement with Bigcommerce, the fastest-growing ecommerce platform for growing and emerging brands. This agreement will allow Global Payments' merchants the opportunity to enter the fast-growing ecommerce space, reach more customers and grow their businesses by creating a Bigcommerce store. The Bigcommerce platform combines usability with professional services for Global Payments' merchants.

United Credit Union Selects CUnify from Fiserv

6/19/14 Fiserv

Fiserv Inc., a leading global provider of financial services technology solutions, announced today that United Credit Union of Mexico, Missouri, has selected the CUnify™ account processing platform from Fiserv. In addition to its on-premise deployment of CUnify, United will add CheckFree® RXP® from Fiserv and the Popmoney® person-to-person (P2P) payment service.

Magisto Chooses BlueSnap for Global Payment Gateway

6/19/14 BlueSnap

Global payment gateway BlueSnap announced that Magisto, a video editing app with over 35M users, has chosen to supported global sales with BlueSnap's BuyNow hosted checkout page. BuyNow will help Magisto reach customers in over 90 countries with checkout pages that are automatically localized according to the buyer's location.

JetPay Payment Services Receives Data Integrity Compliance Award

6/18/14 BankCreditNews

JetPay Payment Services was recently awarded the 2013 Data Integrity Compliance award, which recognizes processors with the highest compliance percentage, by MasterCard International. "JetPay Payment Services has a 15-year record of delivering superior quality service to our business partners," Trent Voigt, the founder and CEO of JetPay's payments division, said.

Worldpay US and 5LINX Enterprises Enter Into Referral Agreement

6/16/14 BusinessWire

Worldpay US, one of the recognized leaders in the payments processing industry, announced today that it has entered into a referral agreement with 5LINX Enterprises. The agreement will allow 5LINX to promote Worldpay payments processing products and services to merchants. "Our 2014 goals will be strengthened by this exclusive sales channel," says Max Narro, President of Small Business Unit for Worldpay US.

FundRazr Goes Mobile With WePay

6/19/14 WePay

FundRazr is a global crowdfunding platform that manages donations to over 40,000 campaigns, totaling over \$50M to date. As they look to grow

their business, they will continue to rely on payment providers to help them expand their offerings and simplify the user experience. In late 2013, WePay partnered with FundRazr to help improve payment processing across the platform.

AT&T to Introduce its Own NFC Platform for Merchant Offers, Access Control and More

6/18/14 NFC World

US telecoms firm AT&T is to use technology from CorFire to power NFC Connect, a new platform that will enable it to offer a wide range of NFC services outside of the Isis mobile commerce venture it co-owns with Verizon and T-Mobile. CorFire technology will also be used to deliver the carrier's AT&T Commerce Connect mobile marketing platform.

Allied Payment Network Appoints Joe Bellavance to Executive Team

6/18/14 The Green Sheet

Allied Payment Network, a provider of online and mobile bill payment services to the financial industry, announced that Joe Bellavance has joined the company as its vice president of Credit Union Services. Bellavance will be responsible for supporting the sales and marketing efforts surrounding Allied's online and mobile bill pay solutions, specifically within the credit union space.

Vend Point of Sale Integrates with QuickBooks Online as First POS on Intuit Apps.Com Marketplace

6/18/14 MarketWatch

Vend, a global cloud-based POS software provider, announced its integration with Intuit's QuickBooks Online. With this integration, Vend becomes the first point-of-sale solution to be listed on Intuit's Apps.com, the next generation app store for small business applications. Launching today at Scaling New Heights in San Antonio, Texas, the Vend integration will help retailers streamline their back-office operations so they can focus on business growth.

Cardtronics : Allpoint Network To Accept Check And Cash Deposits

6/18/14 RTTNews

Cardtronics Inc., retail ATM owner, announced its Allpoint surcharge-free ATM network will begin offering deposit-taking capabilities at more than 2,500 of its domestic ATMs nationwide by the end of the year. The company noted that the new functionality will enable cardholders at participating financial institutions to deposit checks and cash directly into select ATMs without using envelopes or deposit slips.

hyperWALLET Systems Inc. Announces Growth Equity Financing from Primus Capital

6/13/14 hyperWALLET

hyperWALLET's award-winning technology platform and global financial network provides brand-enhancing B2C and P2P services for hundreds of global corporations and financial institutions. Already the market leader for commission payment distribution, with customers including Forever Living, Scentsy and Monavie, the financing will immediately allow hyperWALLET to invest in expanded sales and marketing initiatives domestically and abroad, extend an industry-leading product set, address additional end markets, and build upon its existing infrastructure and licensure portfolio.



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