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 Payments Experts. Powerful Data.  
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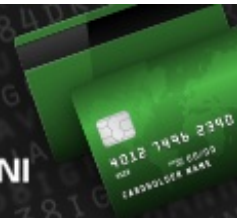
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## Trending This Week...

Yesterday, the CFPB took an aggressive stance on the behalf of consumers by [proposing regulations to rein in short-term payday loans](#). The rules would cover a wide section of the \$46B payday loan market.

Square and Facebook made moves (again) this week. Square, looking to make spending money fun, [announced Square Cash for businesses](#), which allows individuals to send money to each other via email or phone using a business's "\$Cashtag". Business are charged 1.5 percent per transaction.

On the other side, [Facebook announced Businesses on Messenger](#) - which allows companies to interact with customers through their messenger app. Though in the early stages, it has the potential to allow for a consumer to buy items directly and receive order notifications.

Other highlights include:

- [FirstData: Processing the Potential IPO](#)
- [Pony Express is Google's Plan for Bill Pay Within Gmail](#)
- [Target Settlement What About the Banks?](#)
- [U.S. GDP Unrevised at 2.2 Percent](#)

## \*\*Payments Madness Continues With Semi-Finals\*\*

Thank you for the hundreds of votes we received since last Friday. We have tallied the results and the winners are ready for the next

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[The Top Ten Ways Acquirers Can Block the Breach](#)

[Analysis: Vantiv's Acquisition of Mercury](#)

## This Day in History: 1939 March Madness is Born

The University of Oregon defeats The Ohio State University 46-33 on this day in 1939 to win the first-ever NCAA men's basketball tournament. The Final Four, as the tournament became known, has grown exponentially in size and popularity since 1939. By 2005, college basketball had become the most popular sporting event among gamblers, after the Super Bowl. The majority

round.

So far, the top seeds have manhandled the competition - what will happen this week?

[Click here to see the updated bracket.](#)

[Click here to vote in the Semi-Finals.](#)

## Featured

### [Payday Loan Rules Proposed by Consumer Protection Agency](#)

3/26/15 *The New York Times*

The Consumer Financial Protection Bureau, the agency created at President Obama's urging in the aftermath of the financial crisis, took its most aggressive step yet on behalf of consumers on Thursday, proposing regulations to rein in short-term payday loans that often have interest rates of 400 percent or more. The rules would cover a wide section of the \$46 billion payday loan market that serves the working poor, many of whom have no savings and little access to traditional bank loans.

Related: [Payday Loans - Don't Rush Into Regulations Without Research: Guest Opinion](#)

### [Facebook Goes All In On E-Commerce By Bringing Businesses Onto Messenger](#)

3/25/15 *Forbes*

Facebook has courted businesses for years, urging them to join the platform and to spend ad dollars on the social network. Now, it wants to insert itself between businesses and their customers and stake its claim on the future of e-commerce. On Wednesday, Facebook announced it was launching "Businesses on Messenger," a set of new services that will allow companies to interact individually with customers through Facebook's messenger app.

Related: [Is Facebook Now Payments' Biggest Threat?](#)

### [Square Opens Cash to Businesses as Facebook's Shadow Looms](#)

3/23/15 *Wired*

Square is trying to make spending money fun. It just announced Square Cash for businesses, an extension of their service that lets individuals send money to each other via email or phone. Now, Square is giving small business owners, entrepreneurs, and nonprofits a similar straightforward option to accept money via a simple landing page with a giant cursor.

Related: [Square Introduces Square Cash for Businesses, With a Low 1.5 Percent Processing Fee](#)

### [First Data: Processing The Potential IPO](#)

3/25/15 *Seeking Alpha*

(May require subscription) Handling 45% of US credit and debit transactions and with a reach of 6 million merchants globally, First Data (Pending:FDATA) is the largest player in the payments industry. In 2007, just prior to the financial crisis, First Data was taken private by the private

of that betting takes place at tournament time, when Las Vegas, the internet and office pools around the country see action from sports enthusiasts and once-a-year gamblers alike.

For the first 12 years of the men's tournament, only eight teams were invited to participate. That number grew steadily until a 65-team tournament format was unveiled in 2001. After a "play-in" game between the 64th and 65th seeds, the tournament breaks into four regions of 16 teams. The winning teams from those regions comprise the Final Four, who meet in that year's host city to decide the championship.

The most successful team in NCAA men's tournament history has been the UCLA Bruins, who have taken home a record 11 championships, 10 of them under legendary coach John Wooden between 1964 and 1975. The University of Kentucky is second with seven titles and Indiana University rounds out the top three with five tournament wins. At the end of every tournament, a Most Outstanding Player is chosen.

[Click here to read more.](#)

equity firm KKR in an extremely leveraged consisting of \$24 billion in debt financing. The privatization of First Data would soon be recognized as one of KKR's biggest debacles.

## [Pony Express is Google's Plan for Bill Pay Within Gmail](#)

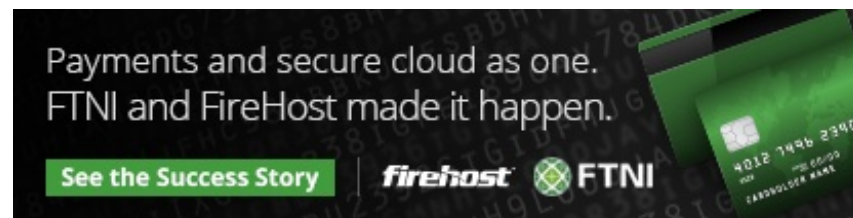
*3/24/15 Digital Trends*

Google Now reminds you of upcoming bills, but an opt-in component of Gmail currently under development could help you pay them. Re/code has been granted access to documents outlining Pony Express, a Google project that seeks to centralize all of your bills in a single location: your email inbox. Google Wallet currently allows Gmail users to "attach" and send funds to contacts via email, but Pony Express is much more powerful.

## [U.S. Mobile Banking on the Rise - Fed Study](#)

*3/27/15 Finextra*

Nearly 40% of banked Americans that have mobile phones now use their handsets to access their accounts, according to research from the Federal Reserve Board. A survey of 2900 people on behalf of the Fed shows that mobile phones have become ubiquitous; 87% of respondents have handsets, and 71% of these are smartphones, up from 61% a year earlier.



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## [Mobile Payments & Bitcoin](#)

## [ShopKeep Buys Payment Revolution, Adds Payment Processing To Its Point Of Sale Solution](#)

*3/25/15 TechCrunch*

ShopKeep - the NYC-based mobile payments startup founded by a Brooklyn wine shop owner to help other merchants improve their services with iPad-based payment apps and analytics - is growing. The company has acquired another startup, Payment Revolution, and will now offer payment processing as part of its point-of-sale platform, under a new name, ShopKeep Payments. This is an agnostic solution, CEO Norm Merritt told me, which is capable of working with the likes of Apple Pay but also whatever other payment methods and mobile wallets come down the pipeline.

## [Here's What It's Like to Shop Using Facebook's New Buy Button](#)

*3/25/15 Recode*

In July, Facebook announced plans to begin testing a "Buy" button that businesses could include on Facebook posts and Facebook ads to let people shop for stuff without leaving the social network. But I had never come across the new shopping feature since then, and I visit Facebook just about every day. That was the case until Tuesday, when a sponsored post from a shoe brand called Inkkas showed up in my News Feed. And, looky there ... a "Buy" button!

## Apple Pay Decals Begin Arriving With Supporting Merchants

*3/26/15 Apple Insider*

Vendors who accept Apple Pay can advertise their support with new decal stickers supplied by Apple itself, which began arriving in the mail for merchants on Thursday. In the free packages now being delivered, Apple offers two glass decals and two register decals, in two different sizes, both with the Apple Pay logo. Apple also includes a plastic tool that helps merchants apply the glass decal smoothly on the front door of their shop.

## Why Do We Call a Dongle a Dongle?

*3/23/15 Slate*

We are all adults, so I am sure nobody is already giggling at the headline to this post. Right? Oh, come on. Control yourself! Dongle is a useful word with a fascinating history, and ... OK, OK. I'll wait. A Martian anthropologist would wonder what is so funny about "a small piece of hardware that attaches to a computer, TV, or other electronic device in order to enable additional functions." First linked exclusively to software protection, now dongledom includes any "module that plugs in and sticks out of a socket."



## Regulation & Security

### Target Settlement: What About the Banks?

*3/23/15 Bank Info Security*

Target Corp.'s pending settlement of a consolidated consumer class action suit is more about public relations and corporate positioning than it is about actually compensating victims, some information security and legal experts say. And the settlement, which gained preliminary court approval March 19, likely will have no impact on the lingering consolidated class action lawsuit filed on behalf of banks, one legal observer says.

### PCI Council Publishes Guidance on Penetration Testing

*3/26/15 EON*

According to a 2015 report on PCI compliance from Verizon, testing security systems is the only area within the PCI Data Security Standard (PCI DSS) where compliance fell over the past year. The PCI Security Standards Council published Penetration Testing Guidance to help organizations establish a strong methodology for regularly testing security controls and processes to protect the cardholder data environment in accordance with PCI DSS Requirement 11.3.

### A Step Closer to Meaningful Data Breach Legislation

*3/26/15 NACS*

The House Energy and Commerce Subcommittee on Commerce, Manufacturing and Trade marked up and voted to advance the "Data Security and Breach Notification Act of 2015" to the full committee. The draft legislation, which was authored by Subcommittee Chairman Michael Burgess (R-TX) along with Reps. Marsha Blackburn (R-TN) and Peter Welch (D-VT), aims to enact a national data breach notification

standard that preempts existing state laws.

### PayPal to Pay \$7.7 Million Fine Over US Sanctions

3/26/15 CNET

PayPal is on the hook for \$7.7 million after it allegedly processed payments for some highly questionable customers. On Wednesday, the online payment service agreed to pay the fine after reaching a settlement with the US Treasury Department. The fine was levied against PayPal based on nearly 500 transactions totaling about \$44,000 that potentially violated US sanctions, the Treasury Department said. As part of the settlement, PayPal did not admit to wrongdoing.

### PoSeidon Malware Dives Deep Into POS, Cisco Warns

3/25/15 FierceRetailIT

Cisco Systems is warning of a new breed of malware technology, nicknamed PoSeidon, that targets point-of-sale systems. This is bad news for retailers that are still reeling from the many data breaches of recent history, such as those that hit Target, Home Depot, Staples and Supervalu. Target is still attempting to settle a class action suit from its 2013 breach, which affected as many as 110 million customers, for \$10 million.



## Economy

### U.S. GDP Unrevised at 2.2 Percent in Q4

3/27/15 Reuters

U.S. economic growth cooled in the fourth quarter as previously reported and after-tax corporate profits recorded their biggest drop since early 2011, as a strong dollar dented the earnings of multinational corporations.

Gross domestic product expanded at a 2.2 percent annual rate last quarter, the Commerce Department said on Friday in its third estimate of GDP. That was unrevised from the forecast last month.

### As Dollar Heats Up Overseas, U.S. Manufacturers Feel a Chill

3/26/15 The New York Times

The dollar's sharp rise in recent months has left Robert Stevenson and Eastman Machine, his family's 127-year-old Buffalo company, feeling the heat on both sides of the Atlantic. Confronted with a steep drop in the value of the euro against the dollar, customers in Europe warn that they can no longer afford to buy Eastman's American-made cutting equipment without deep discounts. Buyers in America, meanwhile, are demanding lower prices from Mr. Stevenson, too, as European-based rivals take advantage of the suddenly stronger dollar, which allows them to reduce prices on the machines they export to the United States without squeezing profits.

### Jobless Claims in U.S. Decline to Lowest Level in Five Weeks

3/26/15 Bloomberg

Fewer Americans than forecast filed applications for unemployment benefits last week as improved weather conditions ushered in labor-market stabilization. Jobless claims fell by 9,000 to 282,000 in the seven days ended March 21, the lowest level since mid-February, a Labor Department report showed Thursday in Washington. The median forecast of 52 economists surveyed by Bloomberg called for 290,000. Another report showed consumer confidence climbed last week to match the second-highest level since July 2007.



## Payments Press

### Optimal Payments to buy e-Wallet Rival for 1.1B Euros

*3/23/15 Reuters*

London-listed Optimal Payments Plc is to buy the maker of the Skrill e-wallet, the biggest competitor to its Neteller business, for an enterprise value of about 1.1 billion euros (801 million pounds), it said on Monday. Optimal said the deal would expand its online payment and digital wallet services and reduce dependence on a few large customers, including its biggest in the gaming market.

### Global Payments Acquires Realex Payments in EUR 115M Deal

*3/25/15 StreetInsider*

Global Payments announced the purchase of Realex Payments, one of Europe's largest and fastest growing payment gateways providing a range of technology services for businesses selling online. This transaction furthers Global Payments' strategy to provide omni-channel solutions that combine gateway services, payment service provisioning and merchant acquiring across Europe.

### Amex to Ask for Stay of Ruling Prohibiting Merchants From Promoting Other Cards

*3/25/15 The New York Times*

The chief executive of American Express said on Wednesday that the company would seek a stay of a ruling that could ban a longstanding Amex practice: prohibiting merchants from encouraging customers to pay with lower-cost cards. Amex does not allow merchants that accept its cards to recommend paying with other cards, like Visa or MasterCard, which charge the merchants lower fees. A federal judge had ruled last month that the practice violates United States antitrust laws.

### Eye on Risk: CyberSource Offers 'What-If Tool; How Mobile Affects Fraud

*3/26/15 Digital Transactions*

Merchants face relentless and ever-changing attempts to make fraudulent online transactions, but measuring the effectiveness of rules in place to counter those attempts takes time. Now, CyberSource, a unit of Visa Inc., is offering a service called Replay that lets merchants test various anti-fraud measures for online transactions without waiting weeks or months to see how well they work.

## TSYS CIO Ken Tye To Retire

*3/26/15 TSYS*

TSYS announced that Ken Tye has decided to retire as Senior Executive Vice President and Chief Information Officer, after 43 years of service, effective September 30, 2015. In making the announcement, TSYS President and Chief Executive Officer M. Troy Woods stated, "I have had the privilege of knowing and working with Ken from day one of his incredibly distinguished career. He possesses that rare and unique ability to leverage his technical acumen with sound business strategy which is very much needed and appreciated in today's environment.

## DeVita to Bring MasterCard Labs Assets to Commercial Market

*3/25/15 Finextra*

MasterCard has appointed Betty DeVita chief commercial officer of its payments innovation research and development arm, where she will be tasked with guiding disruptive new technology towards the market. MasterCard Labs was formed four years ago as a place for the card company to experiment with new ideas as it seeks to maintain its position in a rapidly changing payments world that is seeing a host of new entrants - from Apple to Stripe - use innovative technology to challenge the establishment.

## Stripe Launches Major API Update to Help On-Demand Startups Go Global

*3/23/15 The Next Web*

Stripe, the payment company that's quietly building the best way to pay people online, has today launched a major API update to its Connect API. The new API builds on what the company learnt from modern "platform" companies such as Instacart, Shyp and Lyft, that employ many 'sellers' to get their work done.

## Moneris Solutions Corporation CEO and President Angela Brown named 2015 Distinguished Payments Professional

*3/25/15 Moneris*

Angela Brown, CEO and President of Moneris Solutions Corporation ("Moneris"), one of North America's largest payment processors, has been honored with the 2015 Distinguished Payments Professional award from the Electronic Transactions Association (ETA). Provided by the international trade association for organizations offering payment technology products and services, the award recognizes industry leaders that contribute to positive change and best practices in the payments industry.

## Opentabs' Integration of PayPal Stokes Hot Rivalry in Mobile Ordering

*3/24/15 Mobile Commerce Daily*

The mobile payments space continues to heat up, with Opentabs integrating PayPal within its mobile payment system to meet consumer demand for order-ahead services. Stoked by Apple's and Google's appearing to be the ones to beat, Opentabs, which lets users order ahead by registering a debit card or credit card with a mobile application, is teaming up with PayPal to meet accelerated customer demand for convenience. Mobile ordering is a hot topic so far in 2015, with numerous restaurants chains announcing their own mobile ordering services or plans for them.

## USAePay Partners with Sage to Deliver New Gift Card Service

*3/25/15 The Green Sheet*

USAePay, one of the leading payment gateway service provider, is proud to announce that a new gift card service is being added to USAePay's list of solutions by partnering with Sage Payment Solutions EFT. With the gift cards, merchants can take advantage of having a reusable, stored-value card that provides merchants with an electronic alternative to paper gift certificates. Gift cards generate sales and first time purchases while encouraging store loyalty. Use gift cards to promote sales events, new products, and new locations.

### **The Payments Problem: Streamlining Has Led to Siloing**

*3/23/15 FTNI*

With technological advances in mobile and online payments over the last decade, companies have had to stretch their capabilities to keep up, offering customers multiple different ways to pay. This is great news for customers, but it's been a struggle to manage multiple, disparate payment platforms and the manual processes created as a result. Integrating the various technologies used for accounts receivables (AR) is a bit of a monster, frankly.

### **CardinalCommerce Adds Bitcoin to Merchant Payments Solution**

*3/25/15 CoinDesk*

Merchants using payment authentication provider CardinalCommerce will now be able to accept bitcoin alongside alternative payment options including PayPal and Google Wallet. The announcement is the result of a partnership between CardinalCommerce and bitcoin merchant processor Bitnet that enables merchants with custom-built shopping carts to send API messages to Cardinal's platform through its One Connection service.

### **CardFlight Announces Availability of EMV-Ready Chip Card Readers for SwipeSimple Mobile Point-of-Sale Solution**

*3/26/15 PR Newswire*

CardFlight, a leader in mobile point of sale (POS) technology announced the availability of EMV-ready chip card readers for its SwipeSimple mobile point of sale solution. The United States is in the process of migrating to the EMV chip card standard, with a liability shift occurring in October 2015 that provides incentives for merchants to upgrade their payment terminals to devices capable of reading chip cards. "While some providers have announced plans to offer mobile EMV card readers, CardFlight is one of the first to actually make them available for purchase and deployment in the United States," said Derek Webster, Founder and CEO of CardFlight.

### **Fiserv Completes First Tokenized Transactions via Accel Debit Payments Network**

*3/24/15 Fiserv*

Fiserv, Inc., a leading global provider of financial services technology solutions, announced that it has completed its first tokenized transactions via its Accel® debit payments network. "Fiserv offers one of the first debit payment networks to enable tokenization, which is required for transactions such as those conducted using Apple Pay™," said Kevin Gregoire, president, Financial Institutions Group, Fiserv.

### **Acculynk Launches Mobile Wallet Authentication Services**

*3/26/15 Acculynk*

Acculynk, the provider of PaySecure®, a unique authentication and



gateway platform, launches a new service to help issuers and mobile wallet providers securely provision cards within a mobile wallet. Once PaySecure® is integrated within a wallet, both debit and credit cards can be securely authenticated. Upon registering a new card consumers will be prompted to enter their bank-issued PIN. The PIN is securely sent to the Issuer for real time authentication, providing a response back to the wallet in milliseconds.

## **Western Union and Hyperwallet Forge Strategic Alliance to Address the Global Mass Payments Market**

*3/23/15 Western Union*

Western Union Business Solutions, a division of The Western Union Company, in conjunction with Hyperwallet, today announced the launch of a new global mass payments product. This new product integrates key strengths of each company that come together to help change the way large volumes of business-to-consumer payments are made.



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