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NEXT GEN DINE
iPad Restaurant Point of Sale
Sell more Merchant Accounts
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This Week's NewsFilter...

TSG & ETA have released the newest version of the [US Economic Indicators Report](#).

In other news, [Facebook launches a gift card](#), [Intuit announces new products pushing their payments agenda](#) and [MasterCard's profit tops estimates](#). See below for this week's trending payments news.

Predict the Score Correctly...
... Win TSG's Merchant Acquirer Directory!

Are you ready for some football?! This Sunday is the big game, who will win it - the Baltimore Ravens or the San Francisco 49ers?

Think you know what the outcome will be - [email TSG with your prediction of the final score by the time the game begins](#). If you get it correct, and are the first to email us with that score, you will receive a complimentary copy of [TSG's Directory of US Merchant Acquirers](#) - a value of \$2,900!

Let the guessing begin!

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This Day in History: 1884 *Oxford Dictionary debuts*

On this day in 1884, the first portion, or fascicle, of the Oxford English Dictionary (OED), considered the most comprehensive and accurate dictionary of the English language, is published. Today, the OED is the definitive authority on the meaning, pronunciation and history of over half a million words, past and present.

Plans for the dictionary began in 1857 when members of London's Philological Society, who believed there were no up-to-date, error-free English dictionaries available, decided to produce one that would cover all vocabulary from the Anglo-Saxon period (1150 A.D.) to the present. Conceived of as a four-volume, 6,400-page work, it was estimated the project would take 10 years to finish. In fact, it took over 40 years until the 125th and final fascicle was published in April 1928 and the full dictionary was complete--at over 400,000 words and phrases in 10 volumes--and published under the title A

TSG/ETA Release 16th US Economic Indicators Report

2/01/13 TSG Metrics

This edition contains exciting new data, including the following that is featured in the Introduction Section of this report:

- **GDP versus SMB Same Store Sales (pg. 3)**
 - GDP performance is compared to same store sales performance from TSG's database of 1.5 million merchants representative of ~15% of U.S. brick & mortar merchants
- **V/MC Volume Growth Prediction (pg. 4)**
 - TSG ran five scenarios of economic performance through 2018 in order to project the rate of Visa/MasterCard dollar volume growth
- **Gross Profit Value Index of U.S. Merchant Portfolios (pg. 6)**
 - TSG has created an index representing the overall movement in the value of U.S. merchant acquiring portfolios using its database of 1.5 million merchants. This index is titled the GPVI (GPVI = Gross Profit Value Index) and presents the change in the collective portfolio value indicator.

[Click here to read the full report.](#)

Facebook Launches Baffling Gift Cards

2/01/13 Facebook

Facebook has rolled out "The Facebook Card," a complicated gift card you can send to friends via Facebook's online store, Facebook Gifts. The idea isn't hard to understand from Facebook's vantage point -- the social network gets a nice cut of your spending, presumably, when selling its own gift card through its own online store. But from a consumer standpoint, the Facebook card is confusing.

Trouble Ahead With Merchant Surcharging?

1/31/13 ISO & Agent

A cacophony of voices made the conference center here seem like an unruly classroom. The air was buzzing with questions and comments about merchant surcharging as attendees spoke out of turn at the Northeast Acquirers Association annual conference. One notion that emerged from the furor Wednesday was that the industry won't meet the surcharge deadlines mandated in the settlement of a swipe-fee lawsuit merchants won against Visa, MasterCard and some financial institutions.

First Data Names Interim CEO; Losses Posted

1/30/13 Omaha World Herald

First Data has announced that Ed Labry, currently president of the company's North American operations, will serve as interim CEO until a permanent replacement is chosen. CEO John Judge recently announced his retirement because of unspecified health reasons, effective March 31. "Our company is in very good hands with Ed in this position," Judge said. "I feel very good about this decision."

In an Open Letter, Debit Networks Reject MasterCard's EMV-Durbin Solution

1/31/13 Digital Transactions

It took less than two weeks for the Secure Remote Payment Council (SRPC), a consortium of U.S. electronic funds transfer networks, to reject MasterCard Inc.'s offer for EFT networks to use its proprietary Maestro application identifier (AID) to allow processors to route EMV debit transactions according to network choices designated by merchants, as required under the Durbin Amendment to the 2010 Dodd-Frank Act.

Chains May Avoid Surcharges on Credit-Card Purchases

1/28/13 Bloomberg

U.S. retailers may shy away from charging consumers extra to use credit cards, even though they are free to do so under a proposed legal settlement, because of intense competition in the industry. Wal-Mart Stores Inc., Target Corp. and Macy's Inc. are among chains that have said they don't plan to place fees on purchases made with credit cards using the Visa Inc. and MasterCard Inc. payment networks.

Mobile Payments

Starbucks Dominates Mobile Payments. Why Isn't Anyone Else Even In The Game?

1/30/13 StorefrontBacktalk

Starbucks revealed just how far it is ahead of everyone else in mobile payments last week, and the answer should be both terrifying and heartening for other retailers. The coffee-house chain said its customers do 2.1 million mobile transactions at Starbucks every week-about 5 percent of all its sales transactions in U.S. stores. That's the terrifying part: No other brick-and-mortar retailer comes remotely close to those numbers in mobile payments. The heartening part: It's possible.

Intuit's New Payments Directions In NFC, Passbook And Facebook Revealed In 20+ New Products

1/29/13 Tech Crunch

Yesterday Intuit took a step into social commerce with the acquisition of the team, technology and patents of social payments startup Payment. Today, it's revealing more about how it plans to expand its services into new areas to complement its bread-and-butter business of payrolls and accounting software, with over 20 new products. They include those in payments technologies using NFC and Apple's Passbook, consumer-focused big data apps, and new products for its Mint financial-management range.

Apple Files Patent Application for 'Ad-Hoc Cash Dispensing Network'

1/31/13 Unwired View

While Google, wireless carriers, Paypal and everyone else is working to turn your smartphone into a digital wallet, Apple has an even more interesting idea about money exchange. Apple would like to turn you and other people around you with iOS device, into a mobile ATM. The basic idea, described in a patent application "Ad-hoc cash dispensing network" is pretty simple. Create a cash dispensing server at Apple's datacenter, to which iPhones, iPads and Macs can connect via a specialized app.

Regulation & Security

New PCI Guidelines for E-Commerce

2/01/13 Bank Info Security

A new set of card data security guidelines for merchants and payments providers aims to address increasing risks unique to e-commerce environments. On Jan. 31, the Payment Card Industry Security Standards Council issued its PCI DSS E-commerce Guidelines Information Supplement, a set of guidelines for e-commerce security. The guidelines relate to online infrastructures and how merchants work with third-party providers.

Dodd-Frank Cross-Border Payment Rules to Be Major Compliance Challenge, Says Banks

1/29/13 Finextra

US banks think that new regulations on cross-border transfers will hit the payments business hard without benefiting consumers, according to a poll from vendor Fundtech. Dodd-Frank section 1073 mandates transparency around costs, timing and repudiation for consumer cross-border transfers. However, a survey of banks shows that nearly 90% expect the rule will have a negative impact on their payments businesses.

FTC Action Leads Court to Halt Alleged Pyramid Scheme

1/28/13 FTC

At the request of the Federal Trade Commission and the states of Illinois, Kentucky, and North Carolina, a federal court has halted an allegedly illegal pyramid scheme pending trial. The FTC and the state attorneys general seek to stop the allegedly illegal practices of the Fortune Hi-Tech Marketing (FHTM) operation, which claimed consumers would make substantial income by joining the scheme.

Economy.

Initial Jobless Claims Jump 38,000 to 368,000

1/31/13 MarketWatch

The number of people who applied for new unemployment benefits last week bounced sharply higher, erasing a big drop earlier in the month that put U.S. claims at a five-year low but likely stemmed from seasonal quirks. Initial jobless claims jumped 38,000 to a seasonally adjusted 368,000 in the week ended Jan. 26, according to Labor Department data released Thursday.

GDP Unexpectedly Shrinks, Decline Seen Temporary

1/30/13 Reuters

The economy unexpectedly contracted in the fourth quarter, but analysts said there was no reason for panic given that consumer spending and business investment picked up. Gross domestic product fell at a 0.1 percent annual rate, its weakest performance since the economy emerged from recession in 2009, the Commerce Department said on Wednesday.

Payments Press

MasterCard Profit Tops Estimates as Customers Increase Purchases

1/31/13 American Banker

MasterCard Inc., the second-biggest U.S. payments network, posted fourth-quarter profit that beat analysts' estimates as customers made more purchases. Net income increased to \$605 million, or \$4.86 a share, from \$514 million, or \$4.03, a year earlier, the Purchase, New York-based company said today in a statement. The average estimate of 33 analysts surveyed by Bloomberg was \$4.80 a share.

Facebook's Q4 Payments Revenue, Including Less Than \$5M In Gifts, Was Flat At \$256M After \$66M Revenue Charge

1/30/13 Tech Crunch

Facebook has been making some efforts to grow new business areas beyond advertising in areas like Gifts and Facebook Credits in apps, but so far the company has failed to convert that into meaningful growth. The company today reported Q4 revenues of \$256 million for payments - which includes services like Facebook Credits and its new Gifts service, "and we expect revenues to continue to remain very small given current run rates" in 2013.

Ingencio Announces an Agreement for the Acquisition of Ogone, Leading Pan-European Online Payment Services Provider

1/29/13 Ingencio

Ingenico, announced it has reached an agreement in principle with Summit Partners to acquire Ogone, the leading pan-European online payment services provider for an enterprise value of € 360 million. This acquisition represents a key milestone in the execution of Ingenico's strategy of becoming the unique "one-stop-shop" provider covering multi-channel payment solutions: point-of-sale, online and mobile.

ACI to Buy Online Resources, FIS to Buy mFoundry

1/31/13 BTN

ACI Worldwide and Fidelity National Information Services each announced acquisitions of companies that provide payments technology. ACI Worldwide announced plans to buy Online Resources Corp., an online banking and payments provider, Jan. 31. ACI plans to purchase Online Resources in an all-cash transaction at \$3.85 per share, or about \$263 million, which it is financing with a \$300 million incremental term loan. ACI expects to purchase all outstanding Online Resources shares by Feb. 15.

Newtek Hires Eric Turille as President of Newtek Merchant Solutions

1/31/13 The Green Sheet

Newtek Business Services, is proud to announce that it has attracted and retained the talent of Eric Turille. Eric will be joining Newtek as President of Newtek Merchant Solutions, which is formally known as Universal Processing Services of Wisconsin. Eric is the former President of First National Bank of Omaha, Merchant Services, former COO and Head of Sales at Vital Processing, former COO of Retriever Merchant Services and has served on several VISA and MasterCard committees.

Meal Coursing Now Offered in Next Gen Dine Mobile Restaurant POS Software

1/28/13 Houston Chronicle

Coursing is an important POS feature for unique and high-end restaurants whom offer complex and dynamic menu options. Version 2.0 of Next Gen Dine features a robust and customizable coursing module that allows owners and managers to easily configure menu item course settings. Additionally, course settings can be changed on-the-fly by servers, at the table, using the iPad based mobile POS front end application. Check out this video [here](#).

Braintree Launches Venmo Touch for One-Tap Transactions Across Multiple Mobile Apps

1/31/13 The Next Web

Online and mobile payments platform Braintree has launched Venmo Touch today, a service that allows consumers to complete a transaction across a variety of apps with just one touch. The feature has been built in partnership with Venmo, a company which Braintree acquired last year, to try to provide a much smoother and familiar checkout experience.

PointsPay Rolls Out New Features and Reports Continued Growth

1/30/13 Loylogic

PointsPay, the world's first mobile wallet for exchanging loyalty points or miles into more than 160 currencies that can be used at 32 million merchants worldwide, is announcing updates to the PointsPay App, making it more user-friendly than ever. The key feature of this new consumer interface is the 'Quickloader' process, enabling users to load points onto a PointsPay virtual or plastic card with only two clicks.

Optio Solutions Earns Certification in Quality-Based Professional Payments Management System

1/29/13 Online PR Media

Optio Solutions, LLC, an accounts receivable management company, today announces certification in ACA International's Professional Practices Management System (PPMS). PPMS is a management system for collection agencies based upon developing, implementing and adhering to a set of industry-specific professional practices and policies.

Potential Investor - Acquisition Opportunity

TSG has been retained by a [large Top 30 Acquirer](#) who is looking to purchase selected merchant acquiring enterprises that are in certain merchant verticals and/or possess certain feature/function technology.

- The buyer is interested in ISOs with the following vertical expertise: agent bank channel, association marketing, eCommerce market expertise or other growth oriented vertical sales channel.
- ISOs that have relationships with Independent Software Vendors (ISV) or Business Management Software companies are also of high interest.
- The buyer is also interested in ISOs that have access to or have developed certain technology applications such as prepaid card processing, loyalty/demand generation specialty, or gift card technology
- The buyer will consider a post-closing role(s) for senior executives desiring continuity with the acquirer and its dynamic growth strategy.

If interested in selling all or part of your Payments enterprise/business, please [contact us](#) and let us know the vertical expertise or technology capabilities your company possesses.



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