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## Trending This Week...

This week, [a group of major retail chains are lashing out](#) against the expectations to upgrade their POS hardware for EMV.

Also, ETA, Global Vision, and Linda Perry [officially announced the International Acquiring Forum \(IAF\)](#) to take place in London in September.

This week in mobile payments Tim Cook, CEO of Apple, stated that [mobile payments are still in its infancy](#). What does that mean for the release of the next iPhone?

Other highlights include:

- Most Americans find [current credit/debit payment networks to be efficient, secure, and trustworthy](#).
- Verizon releases [2013 Data Breach Investigations Report](#)
- [Retail eCommerce set to keep a strong pace](#) through 2017
- [VeriFone's SAIL Lives on Through Cap One Spark Pay](#)

## JUST RELEASED

The Strawhecker Group (TSG) has released their seventh edition of the **Merchant Processing Pricing Benchmark Study**. This extremely valuable and popular report details the line-item cost of third-party processing to ISOs/MSPs.

[Click here to see a preview of the report.](#)



[Acquisition Multiples & Attrition Summary](#)

[Merchant Aggregation](#)

[Acquirer Strategic Assessment](#)

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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: 1954**

## **Polio Vaccine Trials Begin**

On this day in 1954, the Salk polio vaccine field trials, involving 1.8 million children, begin at the Franklin Sherman Elementary School in McLean, Virginia. Children in the United States, Canada and Finland participated in the trials, which used for the first time the now-standard double-blind method, whereby neither the patient nor attending doctor knew if the inoculation was the vaccine or a placebo. On April 12, 1955, researchers announced the vaccine was safe and effective and it quickly became a standard part of childhood immunizations in America. In the ensuing decades, polio vaccines would all but wipe

Please [click here](#) if you are interested in ordering the report. The price is \$4,900.

## **Featured**

### **Transaction Opportunities for Current ISO Owners**

***TSG has been engaged by a potential ISO investor; the key investment criteria includes:***

- First Data/TSYS back-end portfolios with and without sales engines

If you are interested in discussing a potential transaction, please provide high level details of your business and call us at 402-964-2617 or email us at [Acquisitions@TheStrawGroup.com](mailto:Acquisitions@TheStrawGroup.com).

### **Major Retail Chains Blast EMV Switch**

*4/25/13 ISO & Agent*

The card networks are reporting progress among issuers and acquirers in the U.S. transition to EMV-chip cards, but some big retailers are still lashing out against the expectation that they upgrade their point of sale hardware. A panel, which consisted of major retailers, an acquirer and a merchant association executive, was unanimous in its criticism for the EMV mandates at the Ramp Mobile Retail Services conference here.

### **ETA, Global Vision, Perry to host International Acquiring Forum**

*4/23/13 The Green Sheet*

The Electronic Transactions Association (ETA), the trade association of the global electronic payments industry, payments consultancy firm Global Vision Group and payments industry consultant Linda S. Perry today announced the launch of the International Acquiring Forum (IAF), a new educational and networking event that will take place in London from Sept. 17-19, 2013, at the Millennium Gloucester Hotel and Conference Center.

### **PayPal Hits The Mall: eBay's Baby Takes On Google, AmEx And Apple At Cash Registers**

*4/25/13 Forbes*

You'd use PayPal to buy a second-hand leaf blower from a stranger on eBay. But would you use it to buy a new leaf blower at the Home Depot Home Depot checkout? PayPal bets you would. And eBay's money transfer subsidiary has been quietly, quickly rolling out its hugely successful operation to a shopping mall near you to test that hypothesis.

### **Majorities of Americans Find Current Credit and Debit Card Payment Networks to Be Efficient, Secure and Trustworthy**

*4/24/13 Ipsos*

Majorities of adults find the current credit and debit card payment networks to be efficient, trustworthy, and secure according to a new poll of over 1,000 adults conducted by Ipsos Public Affairs on behalf of the American Bankers Association. Specifically, nearly three quarters (73%)

out the highly contagious disease in the Western Hemisphere.

Polio, known officially as poliomyelitis, is an infectious disease that has existed since ancient times and is caused by a virus. It occurs most commonly in children and can result in paralysis. The disease reached epidemic proportions throughout the first half of the 20th century. During the 1940s and 1950s, polio was associated with the iron lung, a large metal tank designed to help polio victims suffering from respiratory paralysis breathe. [Click here to read more.](#)

agree that through the credit and debit payment system transactions are processed seamlessly and efficiently. Similarly, more than six-in-ten feel that the current payment system is one they can trust (65%), and that their privacy and security are protected in this system (61%).

### **U.S. Economy Speeds Up, but Less Than Forecast**

*4/26/13 The New York Times*

The American economy sped up in the first quarter of this year, with output expanding at an annual pace of 2.5 percent, according to a Commerce Department report released Friday. The number was lower than the 3 percent forecasters had been expecting. While faster growth of any kind is welcome, much of the acceleration in gross domestic product was probably a result of unusually slow growth at the end of 2012, when the economy grew at an annual pace of just 0.4 percent.

### **NACHA Positions the ACH Network To Be a P2P Payments Player**

*4/23/13 Digital Transactions*

With electronic person-to-person payments volumes booming thanks to an ever-growing list of services from transaction processors, banks and companies such as PayPal, the automated clearing house network is trying to position itself as a P2P player. ACH governing body NACHA on Tuesday introduced bankers to a new rule it expects will bring some clarity and guidance to what had been a void of information about how banks and processors should handle ACH P2P payments.



## **Mobile Payments**

### **Tim Cook on Mobile Payments: 'It's In Its Infancy'**

*4/25/13 MacRumors*

Tim Cook was asked during today's earnings call about his feelings regarding the mobile payments market. While he didn't address the topic directly, he did note that the mobile payments were "just getting started" and still "in its infancy." In a different part of the call, Cook said Apple would continue to augment the existing "iTunes ecosystem with new services and make existing ones even better."

### **How Apple and Amazon Will Shape Mobile Payments**

*4/23/13 Bank Systems & Technology*

Many traditional payments players like banks have been worried for a while about the possibility of Apple entering the mobile payments space at the point of sale. Many speculated that the last iPhone release would include an NFC chip, which did not happen to the relief of those who would have to compete with Apple. Although Apple already has a bridgehead into the payments business thanks to iTunes, experts seem to think Apple will refrain from entering the mobile payments business.

### **Mobile Payments Poll - What Do You Think?**

As members of the payment industry TSG is interested in your opinion on the status of mobile payments. Please vote on the following poll question and the results will be published next month!

**[Do you think 2013 is the year mobile payments will reach the 'tipping point' in the U.S., based on news, partnerships, and product developments since the start of the year?](#)**

**Let's Banish Cards & Cash & Embrace the Digital Wallet**

*4/25/13 Wired*

For thousands of years we have used stones, shells, coins and paper as portable value. A tradable currency if you will, mere tokens of trust we can use to buy and sell our goods, commodities and services. Cheque books, cards, digital money and wallets are just recent manifestations of the same progressive need for greater portability and utility. As ever, trust and security are the really big deal.

**Brits Find Contactless Payments 'Scary'**

*4/25/13 Finextra*

One in four Brits say they find the idea of contactless payments 'scary', while over a half say they would be saddened by a move to a cashless society, according to a survey by price comparison Website GoCompare. Of the 2000 UK adults sampled by GoCompare, only six per cent have so far initiated a contactless payment with a credit card and just three percent have made such a transaction using their mobile phone.

**The Future of Mobile Payments: How to Make Sure You're Ready**

*4/24/13 MasterCard*

Mass adoption of smart, connected and mobile devices globally has been transforming consumer behavior and dramatically evolving shopping experiences. Every device is now a commerce device. In fact, Juniper Research estimates that by 2015, an overwhelming 2.5 billion consumers globally will buy digital goods via mobile devices. Getting there has been a challenge for all those involved since consumers find some forms of mobile payment technology difficult.

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**Regulation & Security**

**Verizon: One in Five Data Breaches are the Result of Cyberespionage**

*4/23/13 PCWorld*

Even though the majority of data breaches continue to be the result of financially motivated cybercriminal attacks, cyberespionage activities are also responsible for a significant number of data theft incidents, according to a report that will be released Tuesday by Verizon. Verizon's 2013 Data Breach Investigations Report (DBIR) covers data breaches investigated

during 2012 by the company's RISK Team and 18 other organizations from around the globe.

### **Online Shopping, With Sales Tax Added**

*4/24/13 Bucks*

Attention, all you online shoppers out there: your sales-tax-free party may soon be over. The Senate is set to vote on the "Marketplace Fairness Act," legislation that would help states force online retailers to collect sales taxes for Internet purchases. The measure, supported by some revenue-hungry states, as well as brick and mortar merchants who say it would eliminate an unfair advantage for online sellers, is expected to be voted on by the Senate this week.

## **Economy**

### **Retail Ecommerce Set to Keep a Strong Pace Through 2017**

*4/24/13 eMarketer*

Online apparel sales continue to capture a greater share of US retail ecommerce sales, as the category, along with the computer and consumer electronics sector, help fuel overall market growth, according to a new report from eMarketer. In 2013, eMarketer estimates US retail ecommerce sales will total \$259 billion, a 14.8% annual increase over 2012's \$225.5 billion.

### **Weekly Jobless Claims Tumble to 339,000 Near Five-Year Low**

*4/25/13 LA Times*

Countering signs of a spring economic slowdown, initial jobless claims unexpectedly tumbled last week to nearly the lowest level in five years, the Labor Department said Thursday. The number of people filing for first-time unemployment benefits fell to 339,000 for the week ending Saturday, down from the previous week's revised figure of 355,000, according to the Labor Department report.

### **More Money Printing? Here's How It Could Happen**

*4/25/13 CNBC*

While talk around Federal Reserve policy has focused on tapering off its easing measures, a weakening economy likely will keep the central bank in the game and could even lead to more aggressive measures. The Fed has been pumping in \$85 billion worth of liquidity each month in hopes of lifting asset prices and boosting economic growth. But even as stock market prices soar to new highs, economic gains have been elusive, and expectations are growing that the spring-into-summer swoon the U.S. has seen over the past several years is reappearing.

## **Payments Press**

### **VeriFone's SAIL Lives on Through Cap One**

*4/25/13 Mobile Payments Today*

The question of who bought Verifone's SAIL Pay mobile point-of-sale business has been answered. Capital One has quietly rolled out its new mobile POS solution called Spark Pay. And if the distinctive sail-shaped dongles aren't enough of an indication that it's Verifone's SAIL Pay solution with a new wrapper, a link on the SAIL Pay merchant site makes it



clear: "We're thrilled to announce that SAIL has been upgraded to Spark Pay by Capital One Bank!

### **Now Pay with PayPal at Hundreds of Thousands of Locations**

*4/24/13 PayPal*

In my long career in consumer products and retail sales, I've seen, and been part of, a lot of change in the retail environment. New ways to buy and sell; new ways to advertise; new product categories; new incentives for merchants and rewards for customers-the world of shopping has gone through an amazing evolution. But nothing matches the scope of change that we're seeing today.

### **WorldPay, VeriFone Expand Efforts to Bring NFC/EMV-Ready Payment to Merchants**

*4/25/13 BusinessWire*

VeriFone Systems, Inc. announced that WorldPay, a global leader of electronic payment processing solutions, has completed compatibility certification of the VeriFone VX 520 countertop payment system and contracted to bring the NFC and EMV capabilities of those systems to new and existing merchants.

### **Equinox Announces Executive Appointments**

*4/22/13 Equinox Payments*

Equinox Payments, LLC, a major payments solutions provider, today announced several executive appointments designed to accelerate the company's growth."Equinox is committed to investing in the quality and talent of strong leaders," said Patrick Hazel, Equinox Chairman and Chief Executive, "we understand the transformation going on in our industry and our new leaders are especially well-suited for this type of mission."

### **TSYS Merchant Solutions to Launch TSYS Multi-Currency Solutions**

*4/25/13 TSYS*

TSYS Merchant Solutions, a top-ten merchant acquirer in the United States with more than 55 years of experience in the payments industry, today announced the launch of TSYS Pay in Your Currency® and Shop in Your Currency™ multi-currency solutions, powered by Planet Payment, to TSYS Merchant Solutions' merchants. Planet Payment, Inc. is a leading international and multi-currency payment processor.

### **American Express Introduces EMV Technology for U.S. Premium Corporate**

*4/23/13 American Express*

American Express Company, a global leader in corporate card issuance, today announced that the Company will begin issuing Corporate Cards with chip & signature technology to U.S. Corporate Cardmembers, beginning with the premium Card portfolios in the first half of 2013. U.S. Corporate Cardmembers will now be able to experience a seamless international payments process as EMV technology becomes the standard for authorizing transactions around the world.

### **Next Gen Dine, iPad Point of Sale by Prelag Partners, Offering Online and Mobile Ordering via MenuDrive**

*4/24/13 Houston Chronicle*

Next Gen Dine, the Future of Restaurant Dining and the next generation of mobile restaurant point of sale, now features online and smart phone ordering by integrating with MenuDrive. Restaurant owners using Next Gen Dine can now integrate their point of sale system directly with the online ordering system. Customers can go online, download the app on their smartphones, search the restaurant's menu, place orders, and make payments.

### **Tranzlogic Forms Strategic Partnership with Aperia Solutions**

*4/25/13 PR Newswire*

Tranzlogic announced a strategic partnership with Aperia Solutions, which will bring tremendous value to the payments industry as a whole and the merchants that they serve. By providing first-of-its-kind data analytics and marketing technology to Aperia's more than 175 ISOs and financial institutions, over 3 million merchants will now have access to the targeted customer data Tranzlogic provides.

### **BlueSnap Launches SnapMobile**

*4/24/13 The GreenSheet*

The mobile shopping cart abandonment rate can range anywhere between 70- 97 percent\* due to the inability of merchants to deliver a seamless shopping experience on mobile devices. Today, BlueSnap alleviated that worry, and is proud to announce its new SnapMobile optimization technology. With SnapMobile, merchants can have two checkout pages for a single product, one for PC and one for mobile.

### **PULSE and fisoc Announce Agreement to Provide Buzz Points Rewards Program to Financial Institutions**

*4/24/13 Pulse*

Fisoc, provider of the Buzz Points™ loyalty program, has joined with PULSE to offer Buzz Points to the network's participants. Buzz Points enables financial institutions to connect with consumers and merchants through rewards and social-media engagement. Last year, PULSE and fisoc began a pilot to gauge financial institutions' interest in a comprehensive solution for offering rewards and strengthening relationships with their account holders.

### **Merchant Warehouse and LevelUp Announce \$1 Million Development Fund**

*4/25/13 MerchantWarehouse*

Today, Merchant Warehouse™ and LevelUp are announcing a \$1 million co-sponsored development fund, which will support the creation of custom-branded mobile payment apps running on the LevelUp White-Label platform for merchants around the country. Qualifying merchants will be able to tap into the fund to sponsor 25 percent of the cost of a custom-developed LevelUp White-Label mobile payment and loyalty app.

### **3Pea International, Inc. Brings State of the Art Call Center In-House**

*4/25/13 Seeking Alpha*

3Pea International, Inc., a payment solutions company focused on prepaid debit card program management and processing services, today

announced our new call center, a state of the art Unified Communications System which includes Phone Exchange (PBX) for call termination and origination, Interactive Voice Response (IVR), and Customer Relationship Management (CRM) features. The call center is fully staffed and operational 24 hours a day, 7 days a week.

### **FTNI Announces Partnership with Contact Automation**

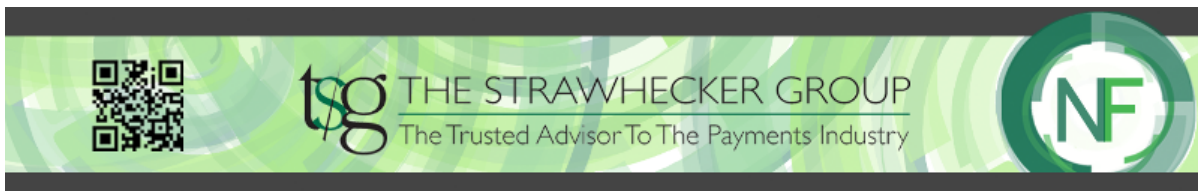
*4/23/13 FTNI*

Financial Transmission Network Inc. (FTNI), a provider of industry leading receivable management solutions, today announced that it is joining forces with Contact Automation, a leading provider of hosted Interactive Voice Response (IVR) solutions. Well known as an Integrated Receivables Platform that accepts all payment methods, by partnering with Contact Automation (CA), ETran will be adding yet another payment channel to an already impressive list.

### **Tabbedout Adds Customer Engagement, Marketing Tools**

*4/24/13 Pizza Marketplace*

Mobile payment startup Tabbedout is going beyond the payment to offer merchants marketing tools. The Austin-based company announced the release of Periscope, a set of tools based on its popular payment app that lets merchants monitor customer use of the app, review customer purchase history, and collect and respond to guest reviews.



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