

# Electronic Payments Forum News

## FORUMS

ATM & POS NEWS

CARD TALK

FINANCIAL NEWS

INTEGRATED PAYMENTS

EFT SECURITY

July 2009

At the annual Underbanked Financial Services Forum in Dallas, Texas in June, Jaime Gonzalez Aguadé, Chief Executive Officer, Banco del Ahorro Nacional y Servicios Financieros, S. N. C. (National Savings Bank and Financial Services) gave a presentation entitled ‘BANSEFI as an Intermediary for Migrant Remittances.’ The following article is based on excerpts from that presentation.

Bansefi is a development bank created by the Mexican Federal Government in order to offer financial services to the under-banked population and to incorporate the semi-informal financial intermediaries into Mexico’s financial system. An important proportion of a remittance received by a migrant’s family is spent in consumption which is the reason why it is relevant to make financial services available to them.

Bansefi, through its 510 branches, takes part as a new player in the remittance market with the higher purpose of promoting financial inclusion generating important benefits, such as financial services, lower transaction costs, safety and productive investment.

L@ Red de la Gente is a commercial alliance between BANSEFI and the regulated intermediaries of the Social Banking Sector that join voluntarily. L@ Red de la Gente simplifies the sale and promotion of financial products and services and allows for easier distribution of governmental programs.

The remittance market in Mexico mainly delivers the remittances in cash to the recipient. However, BANSEFI’s mandate is to promote a better use of this service by taking advantage of the geographical coverage of its branches to lower the costs and support financial inclusion through the opening of savings accounts in which remittances could be received directly, as well as other products and services useful to this population.

In the past there was no participation of FIs in the US/Mexico corridor. The sector was dominated by Money Transfer Operators (MTOs), such as Western Union and Money Gram. The emergence of banking institutions as players in this market has challenged the dominance of both MTOs and informal operators, as evidenced by the growth of remittances by electronic transfers since 1998. An important aspect within the remittance market is the rising preference for electronic transfers over other money transfer options.

Remittance receipts in L@Red de la Gente have grown significantly since the launching of the service in 2004, when an average of USD 7.3 million were received each month. On 2008, the monthly average remittance receipt in L@Red de la Gente was USD 48

### ATMIA Global Sponsors



millions. A potentially significant addition to the U.S./Mexico remittance market and a valuable tool for financial inclusion in both countries, is the international remittance delivery service known as “Directo a Mexico”. This service, made possible by the US Federal Reserve and Mexico’s Central Bank, provides a “public highway” for bulk transactions between banks in the United States and BANSEFI and since its inception 42% of remittance receivers have opened a savings account in the branch where they receive their remittances.

During 2008 Mexican family income owed to remittance receipts lost some relevance, this trend was accentuated on the second semester of the year. In 2008, USD 25,145 millions in remittances were incorporated to Mexican migrants’ families incomes, representing an annual drop of USD 931 million (3.6% ) in relation to 2007.

In conclusion Mr. Gonzalez went on to say that money transmitters need to differentiate themselves by tailoring services for each particular type of money transfer. They should focus on analyzing and segmenting the money transfers sent in major corridors and offer targeted services to enhance the user experience, such as cross-border bill payments," says Gwenn Bézard, research director at Aite Group and coauthor of the report.

A. Lyle Elias  
ATMIA Founding Director

---

## ATM & POS NEWS

### ATM

- [PULSE extends debit, ATM network deal with U.S. Bank](#)
- [South Africa’s Absa bank goes live with BASE24-eps from ACI Worldwide](#)
- [GRG hopes now is the right time for a U.S. push](#)
- [Romanian visitor gets 15 months for ATM skimming in Australia](#)
- [Three credit unions join Credit Union 24 ATM, POS network](#)

### POS

- [Ingenico Develops Chip and PIN Self-Service Airport Kiosks](#)

[Go back](#)

---

## CARD TALK

### Debit Cards

- [Euronet Worldwide Launches New Name and Brand Identity for Prepaid Division](#)

### Credit Cards

- [US Retailers Press Fight re: Payment Card Interchange Fees](#)
- [Fed Approves Interim Reg. Z Changes for Credit Card Issuers](#)
- [Annual Fees on Credit Cards Are Coming Back](#)

[Go back](#)

---

## FINANCIAL NEWS

- [Bank of America Reports Second Quarter 2009](#)
- [First Data Files S-4 Registration Statement with SEC](#)
- [JP Morgan Chase Reports Second Quarter 2009 Financial Results](#)
- [US Banking Industry Provides Perspectives on Proposed Reforms](#)
- [Consumer Overdraft Fees Increase During Recession](#)

[Go back](#)

---

## INTEGRATED PAYMENTS

---

- [A Look at Remote Deposit Capture for Small Businesses](#)

### Mobile

- [A Look at Mobile Payments in the US](#)
- [ClairMail Reports Revenue Growth](#)
- [comScore Publishes New Mobile Financial Services Report](#)
- 

### Online Payments

- [CyberSource Adds Debenhams Direct in UK](#)
- [Fiserv Says Four of Five Online Households Use Online Banking](#)
- [eBillme Introduces Cash Back Rewards](#)

[Go back](#)

---

## EFT SECURITY

---

- [ISACA Names New International President: Emil D'Angelo Elected to Lead the Association](#)

[Go back](#)

## Ingenico Develops Chip and PIN Self-Service Airport Kiosks

Ingenico has announced a three-year partnership with Ryanair to develop the world's first self-service passenger kiosks with chip and pin technology to allow passengers to purchase optional services such as priority boarding when they arrive at the airport.

Ingenico and Ryanair will initially install the Chip and PIN payment system in all its London (Stansted) based kiosks and roll out the development across its Barcelona (Girona), Belfast, Frankfurt (Hahn) and Marseille bases. As part of a three-year contract with Ryanair, Ingenico has provided a complete transaction management system for the initial rollout of 250 unmanned kiosks, with plans to grow to 450 kiosks. It comprises the AXIS electronic payment system, centralised hosting of the transaction management system and PIN pads. The solution enables the kiosks to be fully compatible with PCI-DSS guidelines, as well as those set by Visa and Mastercard for secure payments. This ensures that passengers can pay for any optional services whilst checking in, negating the need to go to the ticket desk.

“Ingenico's unique partnership with Ryanair demonstrates Ingenico's commitment to being at the forefront of innovation and the technological advances in the sector,” said Philippe Lazare, CEO, Ingenico. “We continue to expand our international footprint, and are dedicated to ensuring that customers and retailers have access to the highest levels of convenience, security

and simplicity in their transactions.”

“Ryanair has already begun the move to 100% online check-in which will remove all check-in desks from our 146 airports by October when all passengers will check-in online and use baggage drop points to deposit their hold baggage,” said Ryanair’s Stephen McNamara, Head of Communications. “We are upgrading and installing self service kiosks to ensure passengers can still purchase the services they require when they arrive at the airport. Our partnership with Ingenico will help us to provide a secure and convenient payment method for passengers who want to purchase services such as priority boarding or hold baggage before they board their low fares Ryanair flight.”

“The Ryanair kiosks are unique in the airline field, as they have integrated payment mechanisms, which enable both Chip and PIN as well as magnetic stripe payments to be made at the terminals, in a fully PCI (PCI-PED, PCI-DSS) compliant payment solution,” said Cillian Wright, Business Development Director, Ingenico. “This gives customers the peace of mind that transactions will be processed to the highest security standards. The provision of managed payment services provides Ryanair with a convenient and safe end-to-end transaction solution, giving them a significant advantage against other airlines.”

[Go back](#)

---

## **Euronet Worldwide Launches New Name and Brand Identity for Prepaid Division**

Press Release

Source: Euronet Worldwide

On Wednesday July 15, 2009, 2:50 pm EDT

LONDON--(BUSINESS WIRE)--Euronet Worldwide, Inc. (“Euronet”) (NASDAQ: [EEFT](#) - [News](#)), a leading electronic payments distributor, today announced the rebranding of its global Prepaid Division under the name epay. Previously operating under six different names worldwide, the change reinforces the distinct, but related strength of Euronet’s Prepaid subsidiaries across all regions. The new identity will provide the Division with a worldwide retail brand that is known for quality service and consistent products.

Currently, Euronet’s Prepaid Division is one of the largest international distributors of prepaid mobile airtime. The establishment of a single brand signifies the division’s transformation from a prepaid mobile top-up distributor to a leading provider of payment services and technology. The credibility and success of Euronet’s individual brands provide a strong platform for the newly created global brand to ensure the Division remains an exciting and rewarding partner for service providers and retailers worldwide.

The new epay logo design embraces existing strong elements from the logos of its parent company and sister subsidiaries to create one distinct, yet synergistic brand that stands for professional, innovative and spirited values. The design is channeled toward creating a visual impact in a crowded retail space.

“Our new name, epay, now unites all of our best-in-class companies under one brand to further promote our position as the leading worldwide payment and cash collection network provider,” said Gareth Gumbley, Euronet senior vice president and managing director, epay Division. “Just as our business strategy has evolved over the years to meet the needs of our customers, so must our brands. The new brand identity is a reflection of that evolution to deliver brand leadership and enhanced value to our customers. It brings together our successful elements — local market knowledge, operational expertise and international distribution reach — required by multinational retailers and global consumer brands.”

Several Euronet prepaid subsidiaries already carry the epay name. The remaining companies: PaySpot, Telerecarga, Movilcarga, Brodos and Transact will now adopt the new branding. Working with some of the world’s largest retailers and consumer brands, Euronet’s prepaid division has experienced tremendous success within the prepaid industry. The new identity affirms the company’s commitment to leading innovation in the ‘e’ payment market while providing a platform for

---

further growth and expansion.

For a media kit or further information please contact:

*Angela Wong – Global Marketing Manager, epay Division*

[awong@euronetworldwide.com](mailto:awong@euronetworldwide.com)

+44 (0) 7787 225 164

*Lisa Loebel – Corporate Marketing, Euronet Worldwide*

[lloebel@euronetworldwide.com](mailto:lloebel@euronetworldwide.com)

+1 913 327 4224

## **About epay**

epay, a Division of Euronet Worldwide, Inc. (NASDAQ: [EEFT - News](#)), is a global business with a retail network of approximately 227,000 locations across a number of international markets including the UK, Germany, Spain, Italy, Australia, New Zealand, USA, Poland, Romania, Austria, Switzerland and Ireland. epay enables service providers to deliver electronic payment products and services to consumers through an extensive worldwide retail network. epay's proprietary payment technology is backed by a cash collection service that manages the payment of funds back to the service providers and a range of marketing solutions to assist both the retailer and service provider to maximize their sales opportunities.

In 2008 epay processed over 700 million payment transactions with a total face value of \$11 billion. epay's product portfolio includes top-up or recharge services for prepaid mobile airtime, prepaid debit cards and e-wallets; payment services for bills, road tolls and money transfer; and marketing and distribution services for gift cards, digital content and transport tickets. epay's commitment to customers is supported by a strong roadmap of innovative new e-payment products to bring to market. epay's corporate headquarters is located in London, United Kingdom. For more information, please visit the company's Web site [www.epayworldwide.com](http://www.epayworldwide.com).

## **About Euronet Worldwide, Inc.**

Euronet Worldwide is an industry leader in processing secure electronic financial transactions. The Company offers payment and transaction processing solutions to financial institutions, mobile operators and retailers which include comprehensive ATM, POS and card outsourcing services; card issuing and merchant acquiring services; software solutions; consumer money transfer and bill payment services; and electronic distribution for prepaid mobile airtime and other prepaid products. Euronet operates and processes transactions from 42 countries.

Euronet's global payment network is extensive — including 9,205 ATMs, approximately 56,000 EFT POS terminals and a growing portfolio of outsourced debit and credit card services which are under management in 24 countries; card software solutions; a prepaid processing network of approximately 421,000 point-of-sale terminals across approximately 227,000 retailer locations in 20 countries; and a consumer-to-consumer money transfer network of approximately 77,100 locations serving more than 100 countries. With corporate headquarters in Leawood, Kansas, USA, and 35 worldwide offices, Euronet serves clients in approximately 140 countries. For more information, please visit the Company's Web site at [www.euronetworldwide.com](http://www.euronetworldwide.com).

[Go back](#)

---

## US Retailers Press Fight re: Payment Card Interchange Fees

In an article titled "[Retailers Prepare to Fight Credit Card Fees](#)" in Thursday's New York Times, Andrew Martin writes about how merchants in the US are mounting a "fresh offensive" against payment card interchange fees.

Martin reports that the retailers sense that the momentum has shifted in their favor - while the banks and payment card networks are gearing for a "furious battle on Capitol Hill."

[Go back](#)

---

## Fed Approves Interim Reg. Z Changes for Credit Card Issuers

The Federal Reserve Board has [approved](#) an [interim final rule amending Regulation Z](#) (Truth in Lending) to require creditors to increase the amount of notice consumers receive before the rate on a credit card account is increased or a significant change is made to the account's terms. The amendments also allow consumers to reject such increases and changes by informing the creditor before the increase or change goes into effect.

These revisions are the first stage in the Federal Reserve Board's implementation of the Credit Card Accountability Responsibility and Disclosure Act of 2009 (Credit Card Act). In May 2009, the Credit Card Act amended the Truth in Lending Act (TILA) and other statutes to establish fair and transparent practices for open-end consumer credit plans, including credit cards.

The Credit Card Act's amendments to TILA go into effect in three stages. This interim final rule implements the provisions of the Credit Card Act that go into effect on August 20, 2009. The remaining provisions go into effect on February 22 or August 22, 2010 and will be implemented by the Federal Reserve Board at a later date.

The interim final rule implements the requirements in the Credit Card Act as follows:

- Creditors must provide written notice to consumers 45 days before the creditor increases an annual percentage rate on a credit card account or makes a significant change to the terms of a credit card account.
- Creditors must inform consumers in the same notice of their right to cancel the credit card account before the increase or change goes into effect. If a consumer does so, the creditor is generally prohibited from applying the increase or change to the account.
- Creditors generally must mail or deliver periodic statements for credit cards and other open-end consumer credit accounts at least 21 days before payment is due.

The notice that will be published in the Federal Register is attached. Comments on the interim final rule must be submitted within 60 days after publication in the Federal Register, which is expected shortly.

[Go back](#)

---

## Annual Fees on Credit Cards Are Coming Back

Auriemma Consulting Group [says](#) that "reduced revenues will drive credit card issuers to introduce cards with annual fees to consumers in the near future. Cards without annual fees will not feature rewards and will only offer cardholders basic benefits."

This shift away from no-fee credit cards will come as a result of the changes in the ways that consumers are using credit cards, which affects the profitability of credit card issuers. Consumers are less likely to carry balances on their credit cards, reducing the amount of revenue card issuers can earn on interest. Data published by Auriemma Consulting Group in Cardbeat® shows that the percentage of consumers carrying balances on their credit cards has decreased 40% in the past year. Additionally, the number of consumers unable to pay their bills (credit cards or otherwise) has increased dramatically over the past 18 months. Since the end of 2008, the percentage of credit card accounts written off by lenders has exceeded 10%; in 2006, the percentage

of credit card accounts written off was typically between 3 and 5%. These two factors have resulted in card issuers being forced to seek out alternate commercial models and income streams.

To maintain profitability, many issuers will aggressively market fee-based cards to customers. Whilst credit card companies will continue to offer no-fee cards, the rewards aspect of these cards will be greatly reduced or removed altogether. Rewards cards, including cards with premium services or benefits, will certainly feature a fee in the near future. Credit card issuers that currently offer cards with annual fees will most likely increase those fees.

Additionally, card issuers will develop new card offerings, with tiered rewards and benefits. Most likely, these offerings will have several cards under a specific brand. Cardholders can pay a higher fee for richer rewards and benefits, and a lower (or no) fee for a more basic product. There have already been examples of tiered cards in the market. In the UK, the most notable example comes from M&S Money (a subsidiary of HSBC). M&S's basic no-fee card gives cardholders 1 point per £1 spent in the store. Cardholders enrolled in their Premium Club (with a £10 monthly fee) receive free vouchers for coffees from the in-store cafe, complimentary family travel insurance, and earn 3 loyalty points for every £1 spent in the store.

Megan Bramlette, a managing associate at Auriemma Consulting Group says, "By the end of 2010, all major credit issuers in the UK will have some sort of fee-based enhancement available to its customers, the most successful of which will offer benefits that are in line with their core value proposition like in-store benefits for a retailer co-brand card, or premium seat selection and baggage fee waivers on airline cards."

It is expected that it will be more expensive for consumers to borrow money in the future, whether on a credit card, a mortgage, a personal loan, or any other type of financial product. As the lending industry transitions to a fee-based environment, it is likely that many British consumers will cease using credit cards, particularly the sub-prime and mass-market population. The number of credit card users in the UK will shrink, and the remaining consumers using credit cards will be the more affluent and rewards-seeking population.

[Go Back](#)

---

## **Bank of America Reports Second Quarter 2009**

Bank of America Bank today reported [second-quarter 2009](#) net income of \$3.2 billion down slightly from last year's \$3.4 billion. The bank's Global Card Services unit had a net loss of \$1.6 billion compared to a \$582 million of net income in the same quarter last year. Loans outstanding declined 8% to \$220 billion. Credit card purchase volume fell dramatically, down 19.5% year/year to \$51.9 billion. Debit card purchase volume increased slightly to \$55.2 billion.

[Go back](#)

---

## **First Data Files S-4 Registration Statement with SEC**

First Data Corp. has filed an [S-4 Registration Statement](#) with the SEC to permit holders of unregistered outstanding notes for freely tradable notes that have been registered under the Securities Act. First Data says it does not plan to list the exchange notes on a national market. The S-4 lists FDC's principal executive office location as Atlanta, Georgia with Greenwood Village, Colorado shown as its administrative headquarters.

[Go back](#)

---

## **JP Morgan Chase Reports Second Quarter 2009 Financial Results**

JPMorgan Chase this morning [reported](#) second-quarter 2009 net income of \$2.7 billion, an increase of 36% compared with net income of \$2.0 billion in the second quarter of 2008.

In its credit card business, JP Morgan Chase reported that charge volume declined over 16% year over year to \$78.3 billion.

---

End of quarter outstandings declined 4% year over year to \$148.4 billion. The managed net charge-off rate for the quarter was 10.03%, up from 4.98% in the prior year and 7.72% in the prior quarter. The 30-day managed delinquency rate was 5.86%, up from 3.46% in the prior year and down from 6.16% in the prior quarter, reflecting normal seasonal patterning. The managed net charge-off rate for the quarter was 10.03%, up from 4.98% in the prior year and 7.72% in the prior quarter. The 30-day managed delinquency rate was 5.86%, up from 3.46% in the prior year and down from 6.16% in the prior quarter, reflecting normal seasonal patterning.

In terms of outlook for its credit card business, JPM said it expected losses on the Chase portion of its card portfolio could approach 10% next quarter while it expects losses on the WaMu portion of its card portfolio to approach 24% by the end of 2009. The bank said it expects continued pressure on charge volume and outstandings.

A [presentation on the quarterly results](#) is available online.

[Go back](#)

---

## **US Banking Industry Provides Perspectives on Proposed Reforms**

The US House Committee on Financial Services held a [hearing in Washington](#) on the Obama administration's financial regulatory reform proposals. A number of speakers from the banking industry testified at the hearing.

[Go back](#)

---

## **Consumer Overdraft Fees Increase During Recession**

According to [research conducted by Moebs Services](#) as part of its 22nd annual survey, "the national median for overdraft (OD) fees on consumer checking accounts, debit cards and ATMs increased to \$26 per incident in 2009 from \$25 per incident in 2008, a 4 percent increase, led primarily by Wall Street Banks – those with assets of more than \$50 billion. These findings are the result of a just-completed nationwide survey of more than 2,000 commercial banks, savings institutions and credit unions."

"This is the first time in our 22 -year history of collecting this data that we have seen OD fees increase during a recession," said Mike Moebs, CEO of Moebs Services, whose firm collects and analyzes pricing trends for government agencies such as the Federal Reserve and General Accounting Office, and financial institution clients.

Key results for 2009 include the following:

- 44.5 percent of all banks and credit unions have OD income greater than net income.
  - Higher OD fees were led by Wall Street banks, which charged a median price of \$35 per overdraft vs. all financial institutions, which charged a median price of \$26 per overdraft.
  - The South continued to lead in OD charges regionally, with a median charge per overdraft of \$29.00 vs. \$25.00 for the North, East and West regions.
  - The US Postal Service is increasing its price for OD fees more than Wall Street banks – to \$35 per incident.
  - 45 percent of Wall Street banks tier OD prices, vs. 2 percent of Main Street banks and credit unions. The OD charges range from a first-time charge of \$25 up to a \$35 charge per incident.
  - 54 percent of all financial institutions offered a formal OD program, down significantly from 69 percent in 2008.
  - 86 percent of all financial institutions that offer OD services allow the consumer to opt-out at any time.
  - Less than 20 percent of all financial institutions pay checks in the order from large to small, with the vast majority paying checks in the order of presentment to the financial institution.
-

- 35 percent of all financial institutions allow consumers to overdraw their accounts at an ATM or with a debit card, charging a median of \$26 for this service.

“My firm is a neutral, third-party, objective source that has been collecting primary empirical data about financial institutions for more than two decades,” said Moebs. “The results from this year’s survey are among the most compelling we have seen, both for consumers and financial institutions.”

[Go back](#)

---

## **A Look at Remote Deposit Capture for Small Businesses**

In an article title "[Not-So-Personal Banking](#)", Laura Lorber writes for the Wall St. Journal about more small businesses avoiding trips to the bank to deposit checks they've received - instead using remote deposit capture to transmit an image of the check electronically to their bank.

Remote deposit capture is the equivalent of the electronic draft capture POS terminal that moved the credit card world from paper to electronics over 20 years ago - finally coming to the world of checking. One of the implications of RDC, of course, is that the local bank branch becomes less important. Said differently, banks can now market services to small businesses outside of their branch footprint.

[Go back](#)

---

## **A Look at Mobile Payments in the US**

In an article titled "[Will that be cash, check or cell phone?](#)" and subtitled "Mobile payments are the next frontier, but Americans are slow to adopt", Vanessa Richardson writes for CreditCards.com about the status of mobile payments in the US market - particularly for local, NFC-based payments using mobile phones at the point of sale.

[Go back](#)

---

## **ClairMail Reports Revenue Growth**

ClairMail has announced a record number of new customers and a 200 percent year-over-year revenue increase for the second quarter ending June 2009. The company says this record quarter "continues the rapid growth trend the company has experienced in the past 12 months."

“Our record revenue growth, solid customer pipeline and strong financial outlook put us on a clear path to near-term profitability,” said Founder and Chief Strategy Officer Joe Salesky. “We continue to see substantial demand from financial institutions for our unique proactive mobile banking solution, as we grow our market share across retail banks, credit unions and card service companies.”

“Financial institutions understand that the mobile device is fast becoming the new channel for consumers to access and manage their account information, while providing the bank with another valuable touch point to interact with their customer,” said Charul Vyas, analyst in Tower Group’s Emerging Technologies practice. “The mobile device also enables banks to cut costs from existing customer service channels, while uncovering new revenue streams through contextual marketing and cross-selling opportunities.”

ClairMail’s record second quarter comes as a result of repeat business and expanded relationships with several of the top 10 U.S. banks, as well as new agreements with top-tier financial institutions, regional banks and credit unions that will be announced in the coming months.

“Our continued growth underscores ClairMail’s enduring momentum in the market and reinforces our solid financial position,” said Pete Daffern, CEO of ClairMail. “Our success in the past year has been driven by our ability to respond to the needs of banks and credit unions of all sizes, and deliver a mobile banking solution aligned with the needs of their customer

base. Today, we are poised for even more growth as we continue executing our business plan for further expansion across Canada, Europe, Latin America and the U.S, extending our leadership position as the global leader of mobile banking and payments.”

[Go back](#)

---

## **comScore Publishes New Mobile Financial Services Report**

comScore has released an inaugural study of the mobile financial services industry with a new report titled [Mobile Financial Services: The Market Today & Opportunities for Tomorrow](#). The report provides a look at the current state of the industry and mobile financial users, and highlights areas for potential growth in this rapidly evolving market.

The report leverages multiple comScore data sources to provide a comprehensive view of the mobile financial services market, including an overview of the current U.S. mobile landscape and insights into the mobile banking, credit card, insurance and brokerage sectors.

Mobile financial services adoption is highly dependent upon device technology and high bandwidth (3G) networks. A study of how mobile users access their banking accounts found that mobile Web browsing ranked as the most popular method for both smartphone (44.1 percent) and 3G users (53.3 percent), followed closely by mobile applications (48.1 percent of 3G users and 40.6 percent of smartphone users).

The relative parity among usage of browsers vs. applications for access to mobile banking indicates the growing importance of ease of use for accessing accounts and conducting transactions. Interestingly, the percentage of mobile bankers who used texting (SMS) for access to their account information was substantially higher among 3G users (41 percent) than Smartphone users (25 percent).

"The increasing adoption of smartphones and access to 3G networks, along with the rapid development of mobile apps, have created a fertile environment for the acceleration of mobile banking," said Marc Trudeau, comScore senior director. "A seamless mobile banking user experience is necessary for this behavior to take hold, and the convergence of the aforementioned technologies is now making mobile phones a viable access point for personal banking transactions. Financial institutions hoping to capitalize on this quickly emerging consumer banking trend need to be ahead of the curve and understand how consumers are using the mobile channel today and how they would like to use it in the future."

For more information on the report, Mobile Financial Services: The Market Today & Opportunities for Tomorrow, and registering for the webinar, please visit:

[http://www.comscore.com/Press\\_Events/Presentations\\_Whitepapers/2009/The\\_State\\_of\\_Mobile](http://www.comscore.com/Press_Events/Presentations_Whitepapers/2009/The_State_of_Mobile)

[Go back](#)

---

## **CyberSource Adds Debenhams Direct in UK**

CyberSource has announced that it is working with Debenhams Direct to provide secure processing and management of its online transactions. Debenhams Direct is the eCommerce arm of one of the leading retail groups in the U.K. and Ireland and processes over 2,500 orders on an average day.

CyberSource's payment management services allow Debenhams to securely and reliably process multiple payment types through a global payment processing network that has been certified as compliant with the Payment Card Industry Data Security Standard. Through a single connection to CyberSource, Debenhams can also utilise additional cardholder verification programs such as Verified by Visa and MasterCard SecureCode, providing Debenhams' customers with greater protection from fraud and reducing chargeback risk for Debenhams.

Debenhams turned to CyberSource's flexible risk management solutions as part of the retailer's overall eCommerce focus. CyberSource's Decision Manager accesses over 150 global validation tests to screen for fraud, enabling Debenhams to determine in real-time whether transactions should be accepted, rejected, or marked for further review. This has allowed

---

Debenhams greater flexibility in the management of its fraud screening rules, allowing it to evolve and develop, in real-time, the strategies it deploys against fraudsters.

Anthony Leach, Senior Operations Manager, Debenhams Direct, said: “We are keen to stay ahead of the curve and selected CyberSource based on its functionality and the partnership we have already developed. The intelligence to which we have access will help us identify and manage higher risk orders appropriately whilst supporting legitimate customers within our secure website. Our continued focus is on providing a secure platform for our online customers whilst managing commercial risks and having clear and flexible processes.”

Simon Stokes, Managing Director, CyberSource Ltd., commented: “Debenhams is a great example of a traditional high street retailer that has embraced the online environment and increased its investment in this area. By consolidating and streamlining its multi-channel operations, Debenhams is better able to provide its customers with a secure and convenient online shopping experience.”

For more information on CyberSource risk management solutions, see:

[http://cybersource.co.uk/products\\_services/risk\\_management/](http://cybersource.co.uk/products_services/risk_management/).

[Go back](#)

---

## **Fiserv Says Four of Five Online Households Use Online Banking**

Fiserv says that more than two million U.S. households adopted online banking and bill payment during the last year, according to a [recent consumer survey](#). "A total of 69.7 million households, representing four out of five households with Internet access, now use online banking services, primarily to access balance and account history and transfer money between accounts. In addition, 64.4 million households pay at least one bill online, either at a bank website or directly at a company website."

The Fiserv-sponsored survey – which reflects the habits of the 88.2 million households in the United States with Internet access - was conducted by The Marketing Workshop and Harris Interactive. Fiserv has conducted the Consumer Billing and Payment Trends survey since 2001.

“We believe that consumers will continue to conduct more and more of their financial activities online,” said Geoff Knapp, vice president, Online Banking & Consumer Insights, Fiserv. “Online banking and bill payment is a free service, and a convenient and environmentally friendly way to bank. Consumers are actively becoming fans of the user-friendly, secure services financial institutions are implementing.”

To view a video of Geoff Knapp discussing the most significant findings of the Consumer Billing and Payment Trends survey, visit <http://www.fiserv.com/trends.htm>.

With today’s hectic lifestyles, consumers are looking for faster and easier ways to get things done, and it is estimated that people who pay their bills online save five hours a year compared to those that pay using checks. Of those surveyed, 41 percent of current online banking users indicated they planned to pay more bills online at their financial institution’s website in the coming months, while 35 percent of those who pay bills directly at company websites said they planned to pay more bills online at those sites.

### **Benefits of Online Bill Payment**

The survey examined the reasons people choose to pay bills online and determined that the leading benefits are:

- Speed – 79 percent of consumers said that they preferred to pay bills online because it was faster than other payment methods.
  - Ease of Use – 72 percent of consumers said paying online was easier than paying by check.
  - Cost Savings – 71 percent of consumers said they liked saving money on stamps.
  - Control – 71 percent of consumers said that paying bills online gave them more control over the timing of their
-

payments.

## Environmental Concerns Drive Use of Paperless E-Bills

While any bill can be paid online, regardless of how it is received, a growing number of consumers are also adopting paperless electronic bills (e-bills). E-bills contain the same information as a typical paper bill, but are delivered directly to a consumer's online banking account or a company website. According to the survey, 24 percent of consumers who pay bills online also receive at least one bill online each month, up from 22 percent last year.

Fifty-eight percent of e-bill recipients said that environmental impact was either important or very important in their decision to view and pay bills online, up from 51 percent last year.

Consumers also cited convenience and clutter reduction as reasons to receive their bills online. Fifty seven percent of consumers said they had lost a paper bill in the mail, while 64 percent admitted to losing a paper bill in their own home – inconveniences that many indicated made them receptive to receiving paperless e-bills online.

## Impact on Relationship with Financial Institution

According to the survey, consumers who pay bills online at a bank website are more likely to continue banking with their bank, as well as encourage others to join their bank.

- 49 percent of consumers who use online bill pay said they are less likely to switch banks due to their experience, up from 43 percent last year.
- 67 percent of online bill pay users would recommend their bank to a friend or relative.

Over a period of three months, 38 percent of online bill pay users recommended the service to others. Those recommending the service did so an average of two times.

Proving the power of a personal recommendation, the bank branch was cited as the most influential source of information leading to enrollment in online bill payment.

## Impact on Relationship with Billing Company

Similarly, electronic billing and payment helps improve customer satisfaction and retention with the company from which the bill is received. Consumers receiving a bill electronically at their bank are 30 percent less likely to leave the company from which they receive the e-bill. Additionally, customers receiving an e-bill at the company's own website are 28 percent less likely to leave. Importantly, customers receiving e-bills via their bank continue to visit the company website—56 percent of them go to the biller's site six or more times annually. Billing organizations can thus reap the cost-savings and customer loyalty benefits of delivering e-bills to financial institution sites, while maintaining a strong branded relationship with the many bank e-bill customers who will continue visiting the company's own site.

The Consumer Billing and Payment Trends survey is an initiative of Consumer Insights from Fiserv. Consumer Insights is an example of Fiserv's customer and channel management core competency, and shares findings from primary studies on consumer behavior with Fiserv clients and industry experts.

[Go back](#)

---

## eBillme Introduces Cash Back Rewards

eBillme has announced it will give consumers 1% cash back for every purchase made using its cash checkout option. According to the company, "in order to qualify, online shoppers select eBillme for checkout at one of over 800 online merchant sites offering the credit card alternative payment option. Consumers can then sign-up for eBillme's cash back rewards and immediately start earning 1% cash back for every order. Once \$10 in rewards has been earned, the cash can be redeemed on eBillme merchant sites, or shoppers may choose to continue earning before redeeming."

"This is truly a landmark offering for online cash payments," says Marwan Forzley, President and CEO of eBillme. "More

consumers are shifting away from credit and making better financial decisions. We want to reward shoppers who pay with cash by offering the perks of shopping online with a credit card but without the interest fees and debt. Not only does eBillme offer a higher level of protection and more safeguards than a credit card with our buyer protection program, but now, every eBillme purchase will earn consumers cash rewards. There could not be a better time for consumers to try secure cash checkout with eBillme."

eBillme is the most secure way to pay online. When shoppers choose the option at checkout, their order is confirmed with an eBill sent to their e-mail address. Consumers simply pay the eBill through their online checking or savings account - the same way they pay utilities, loans, insurance, and other bills. The transaction occurs securely, bank to bank, with no personal or financial information required or transmitted over the Internet. And with buyer protection features including a satisfaction guarantee, best price guarantee, in-transit protection, and fraud protection, consumers can shop with confidence knowing their eBillme transaction is guaranteed and protected.

[Go back](#)

---

## **ISACA Names New International President: Emil D'Angelo Elected to Lead the Association**

**Rolling Meadows, IL, USA (20 July 2009)**—Emil D'Angelo, CISA, CISM, senior vice president at the Bank of Tokyo Mitsubishi UFJ, New Jersey, USA, was elected international president of ISACA—a global association serving 86,000 IT governance, assurance and security professionals in 160 countries—at its 37<sup>th</sup> annual International Conference in Los Angeles, California, USA, today.

Now in its 40<sup>th</sup> year, ISACA develops international standards for information systems auditing and control; provides education and training; and administers the Certified Information Systems Auditor (CISA), Certified Information Security Manager (CISM) and Certified in the Governance of Enterprise IT (CGEIT) designations. Additionally, ISACA publishes COBIT—the internationally accepted framework for IT governance best practices—and Val IT, a tool set for unlocking the value of IT and managing IT-enabled business change.

D'Angelo also assumes the role of international president of the IT Governance Institute (ITGI), the nonprofit, independent research affiliate established by ISACA in 1998 to help enterprise leaders ensure that IT supports the enterprise's mission and goals.

"As a long-time member of ISACA, I have experienced firsthand the valuable educational resources and knowledge-sharing opportunities that ISACA provides," said D'Angelo. "It is privilege now to serve ISACA as international president, as the association continues to grow and deliver high-quality research, training and certification to IT professionals."

A member of ISACA for more than 30 years, D'Angelo has been actively involved with the association, serving on its Strategic Advisory Council and Governance Advisory Council and chairing the Security Management Committee. He is a recipient of ISACA's Eugene Frank Award, awarded by the board of directors for outstanding contributions to ISACA or ITGI.

With more than 25 years in the financial services industry, he is now the senior vice president of corporate data security at the Bank of Tokyo Mitsubishi, where he is responsible for information security, disaster recovery, audit liaison and IT compliance. D'Angelo began his career in security and audit at Deloitte & Touche, where he worked on the development of the company's audit software and spent 10 years in the management services division. He also worked at Chase, where he coordinated the global security and business continuity program, and at Marsh, where he established a security and business continuity program.

In addition to D'Angelo, seven other board members were elected at ISACA's International Conference. Re-elected as vice presidents are George Ataya, CISA, CISM, CGEIT, CISSP, professor, Solvay Business School, Belgium; Yonosuke Harada, CISA, CISM, CAIS, executive director, InfoCom Research Inc., Japan; José Angel Peña Ibarra, CGEIT, partner, Alintec, Mexico; Robert Stroud, CGEIT, vice president of service management and governance for the service management business

---

unit at CA, USA; and Kenneth L. Vander Wal, CISA, CPA, partner (retired), Ernst & Young, USA. Newly elected vice presidents are Ria Lucas, CISA, CGEIT, manager, Investment Management Group of Telstra Corporation Ltd., Australia, and Rolf von Roessing, CISA, CISM, CGEIT, partner, advisory practice of KPMG Germany.

Three directors were also appointed to ISACA's board: Greg Grocholski, CISA, senior finance director, Dow Chemical Co., MI, USA; Tony Hayes, CGEIT, AFCHSE, CHE, FACS, FCPA, FIIA, executive director, Service Delivery and Performance Commission, Australia; and Howard Nicholson, CISA, CGEIT, business analyst, City of Salisbury, Australia. Jeff Spivey, director, Security Risk Management, NC, USA, was appointed trustee for ITGI.

Photos and biographies of all board members are available at [www.isaca.org/board](http://www.isaca.org/board).

## About ISACA®

With more than 86,000 constituents in more than 160 countries, ISACA® ([www.isaca.org](http://www.isaca.org)) is a leading global provider of knowledge, certifications, community, advocacy and education on information systems assurance and security, enterprise governance of IT, and IT-related risk and compliance. Founded in 1969, ISACA sponsors international conferences, publishes the *ISACA® Journal*, and develops international information systems auditing and control standards. It also administers the globally respected Certified Information Systems Auditor™ (CISA®), Certified Information Security Manager® (CISM®) and Certified in the Governance of Enterprise IT® (CGEIT®) designations.

ISACA developed and continually updates the COBIT®, Val IT™ and Risk IT frameworks, which help IT professionals and enterprise leaders fulfill their IT governance responsibilities and deliver value to the business.

In 1998, ISACA founded the IT Governance Institute® (ITGI®) ([www.itgi.org](http://www.itgi.org)), a nonprofit, independent research entity that provides guidance for the global business community on issues related to the governance of IT assets.

## Media Contacts:

Kristen Kessinger, +1.847.660.5512, [kkessinger@isaca.org](mailto:kkessinger@isaca.org)

Deborah Vohasek, +1.847.660.5566, [dvohasek@isaca.org](mailto:dvohasek@isaca.org)

Joanne Duffer, +1.847.660.5564, [jduffer@isaca.org](mailto:jduffer@isaca.org)

## ISACA

3701 Algonquin Road, Suite 1010

Rolling Meadows, IL 60008

USA

[Go back](#)

## Sent Comments to:

A. Lyle Elias  
ATMIA Founding Director  
EPF News Editor  
Email: [mail@lyleelias.com](mailto:mail@lyleelias.com)

Mike Lee  
ATMIA CEO  
Email: [mike@atmia.com](mailto:mike@atmia.com)

