

# Electronic Payments Forum News

## FORUMS

ATM & POS NEWS

CARD TALK

FINANCIAL NEWS

INTEGRATED PAYMENTS

EFT SECURITY

June 2009

The first week of June was a busy one for the SourceMedia folks with back to back conferences in Dallas and Las Vegas. The Underbanked Financial Forum in Dallas was a great success due primarily to an excellent speaker lineup, compliments of the Center for Financial Services Innovation, and a very professionally produced three day event that included workshops, panel discussions and a fascinating keynote address by Dean Karlan, Yale University Professor of Economics on what development and behavioral economics reveal about how access to financial services can transform people's lives. Other topics included savings, collections, statistical analysis of underbanked consumers and studies of prepaid card use and preferences. Most of the buzz was on the subject of credit. With a significant percentage of the U.S. population struggling to access traditional credit products, new non FICO score based models are emerging. The new models include using alternate credit data in underwriting consumer loans and temporary lines of credit for emergency cash, that are offered through direct payroll deposit prepaid cards.

The Dallas conference was followed by the Mobile Commerce Summit at the M Resort Spa & Casino in Las Vegas. The event was smaller but the speaker lineup was high powered and represented some the major players in the rapidly evolving mobile payments industry. Participants included Fiserv, ClairMail, MShift, Sybase 365, mFoundry and Mobile Money Venture among others. The panel discussion on 'where are the mobile revenue opportunities?' was spirited and insightful, as some of the industry visionaries sparred over the potential of traditional applications and new innovations in mobile payments and online banking. Will eCoupons catch on with consumers? Is two way SMS messaging the way to go versus browser based online banking? Will downloadable mobile banking applications be the choice of the iPhone generation? The jury is still out but the one thing that everyone agrees on is that mobile commerce is moving at the speed of light and the statistics are bearing out that consumer acceptance of mobile banking and payments technology is faster than anything that the banking

### ATMIA Global Sponsors





industry has seen before.

Over the next several months the Electronic Payments News will be interviewing some of the speakers from both of these events to share with you their insight into the dynamic and challenging underbanked consumer market and new innovative means of reaching the consumer through creative credit products and mobile solutions in our increasingly online world.

A. Lyle Elias  
ATMIA Founding Director

---

## ATM & POS NEWS

---

### ATM

- [Diebold's Latest Cash Acceptance Innovation Takes Deposit Automation to the Next Level Through Improved Efficiency and Ease of Service](#)

### POS

- [NCR ranks number one in global self-checkout market](#)
- [Next week is 35th anniversary of retail bar code scanning](#)
- [The Phoenix Group to Purchase \\$6 Million of Hypercom Optimum Products](#)

[Go back](#)

---

## CARD TALK

---

### Debit Cards

- [Metavante, First National Bank of Omaha Renew Prepaid Relationship](#)
- [SunTrust, Delta to Introduce New SkyMiles Check Cards](#)
- [New Research Shows the Diversity of Prepaid to Deliver Resilience Through Economic Slump](#)

### Credit Cards

- [Credit-Card Companies: Who Qualifies Now?](#)
- [JPMorgan to Charge 5% on Card Balance Transfers, Cash Advances](#)

[Go back](#)

---

## FINANCIAL NEWS

---

- [Pulse Announces 2009 Debit Issuer Study](#)
- [Heartland Payment Systems Selects MicroStrategy to Deliver Enhanced Reporting Capabilities to its Customers](#)
- [VisaNet IPO Puts a Charge Into J.P. Morgan](#)

[Go back](#)

---

## INTEGRATED PAYMENTS

---

### Mobile

- [New Mobile Money FastTrack™ from Fiserv Speeds Delivery of Mobile Banking Services](#)
- [Sevenval and Wincor Nixdorf form strategic partnership in mobile banking](#)
- [3 New CEO MobileSM Features Help Busy Executives](#)
- [Delta Community Credit Union Selects Mobile MoneySM from Fiserv](#)

[Go back](#)

---

## EFT SECURITY

---

- [Mercator Advisory Group End-to-End Encryption Report](#)

[Go back](#)

---

## Diebold's Latest Cash Acceptance Innovation Takes Deposit Automation to the Next Level Through Improved Efficiency and Ease of Service

*Enhanced Note Acceptor expands offerings, helps financial institutions reach broader customer base*

NORTH CANTON, Ohio, June 22, 2009 /PRNewswire-FirstCall via COMTEX/ -- Diebold, Incorporated (NYSE: DBD) is launching the latest innovation in its [family of deposit automation](#) solutions with the newly developed [Enhanced Note Acceptor \(ENA\)](#), a cash-accepting device for automated teller machines (ATMs). Designed in-house, Diebold's ENA technology continues a company tradition that began in the early 1990s of introducing to the industry deposit automation innovations that deliver a high-quality transaction experience and help reduce operating costs across the self-service channel. Representing the industry's leading self-service technologies, Diebold's deposit automation solutions include cash recycling, Intelligent Depository Module(TM), ImageWay(R) and the Bulk Note Acceptor.

According to a recent Retail Banking Research (RBR) study, deposit automation is one of the fastest growing new banking technologies because it offers the multiple conveniences and advanced functionality customers want. RBR reported that the number of deposit-automated ATMs across 26 countries has more than quadrupled since 2003 to more than 96,000 at the end of 2007. The study predicts market demand will continue to grow to as many as 670,000 deposit-automated units deployed by 2018.

Diebold leveraged its strong deposit automation experience and technology expertise to design the ENA to deliver such improvements as simplified servicing and ease of operation. The ENA enables the deposit of up to 50 mixed-denomination notes in an easy, envelope-free transaction that authenticates and validates deposits, quickly and accurately. Diebold designed the ENA with a user-friendly interface for a [streamlined customer experience](#). The ENA module further enhances the flexibility of Diebold's full-function Opteva(R) terminals and is offered as a standard feature or as an onsite field upgrade.

"The ENA's proprietary design, which features superior reliability, is a direct result of input from our customers, Diebold's technicians in the field as well as our cash-in-transit service partners, to ensure this module meets financial institutions' most critical needs," said Charles E. Ducey, Jr., senior vice president, global development and services, Diebold. "As an important

---

addition to our total deposit automation solution, Diebold's ENA design is grounded in years of deposit automation and technology expertise to offer financial institutions a higher return on investment by boosting operational efficiencies."

For financial institutions, Diebold's ENA delivers the multiple advantages of envelope-free deposit automation technology, including the efficiencies realized from migrating routine transactions to the ATM and away from the teller line. Moreover, adopting technology that accepts deposits without an envelope helps eliminate empty-envelope and closed-account fraud, while delivering a teller-like transaction experience to consumers. ENA helps fulfill an essential global market need for regions with moderate-volume cash-deposit activity and benefits both consumer and business customers.

## About Diebold

Diebold, Incorporated is a global leader in providing integrated self-service delivery and security systems and services. Diebold employs more than 17,000 associates with representation in nearly 90 countries worldwide and is headquartered in Canton, Ohio, USA. Diebold is publicly traded on the New York Stock Exchange under the symbol 'DBD.' For more information, visit the company's Web site at [www.diebold.com](http://www.diebold.com), or visit [www.diebold.com/150](http://www.diebold.com/150) to learn more about Diebold's 150-year history.

SOURCE Diebold, Incorporated

[Go back](#)

---

## NCR ranks number one in global self-checkout market

### London-based research firm forecasts self-checkout deployments to nearly triple globally by 2012

**DULUTH, Georgia** – NCR Corporation ranks number one worldwide in the self-checkout market, according to [Retail Banking Research](#) (RBR), a strategic research and consulting firm headquartered in London.

The newly published "Global EPOS and Self-Checkout 2009" report from RBR shows that the adoption of self-checkout solutions – which enable shoppers to scan, bag and pay for goods themselves – has accelerated over the last two years. In addition, RBR predicts that the installed base of self-checkouts is due to nearly triple by 2012 to reach 250,000 units globally.

More than 140 retailers from 12 different retail segments and over 20 countries use [NCR SelfServ™ Checkout](#). NCR attributes its market leadership to its track record of continuous innovation and a consultative approach to helping retailers meet key business objectives with their self-checkout strategies.

"Two out of three self-checkouts shipped in the last five years are from NCR," said Mike Webster, NCR vice president and general manager for Retail and Hospitality. "This includes a 'who's who' list of retailers. They value NCR's relentless focus on improving store productivity and customer service levels. We are achieving this not only through innovations in the technology itself, but also the way in which it is deployed and managed."

Prior to a deployment, NCR's [Customer Experience Consulting](#) team looks at traffic patterns through the store's existing checkouts and the floor space they occupy. The consultants are then able to model the optimum mix of assisted- and self-service lanes and their ideal location to minimize queuing at peak times.

Stores that deploy NCR SelfServ Checkout are able to make more checkouts – assisted-service plus self-service lanes – available to reduce one of shoppers' top frustrations, the time they spend waiting in line. NCR self-checkout customers report checkout wait times in their stores are reduced as much as 40 percent.

"Consumers tend to shop where they know they can get out of the store quickly and easily," Webster continued. "Since self-checkout enables them to do just that, it can help build customer and brand loyalty, which is important in today's competitive

---

marketplace.”

NCR believes the current challenging economic conditions will provide a stimulus to the wider adoption of self-checkouts. Because one cashier can manage four or more self-checkouts, the technology frees up staff to meet customer demand for improved service levels in-store. This includes reducing out-of-stocks and helping shoppers locate items.

NCR has also brought a series of innovations to its self-checkouts, designed to make them faster and easier to use. For example, NCR’s latest scanner technology is able to read small and difficult-to-read bar codes consistently by generating more scan lines at greater lengths. NCR completely reinvented its scanner user interface with self-service in mind.

Industry initiatives, such as the introduction of [GS1™ DataBar™](#) bar codes, are expected to improve self-checkout ease of use even further. These new bar codes can be over 50 percent smaller than current EAN/UPC bar codes, making them suitable for use on loose produce, such as fruit and vegetables. This can allow consumers to simply scan such items, rather than search for them on the screen or key in codes.

To support retailers’ environmental initiatives, NCR’s self-checkout software now offers an optional “Own Bag” button – a feature that detects the weight of the customer’s re-usable bag on the security scale. Further, NCR SelfServ Checkout is the first and only self-checkout solution to offer two-sided thermal (2ST) printing to reduce paper consumption and waste.

Improvements have also been made to the payment process on NCR’s latest self-checkouts. Shoppers can insert loose change in bulk rather than feeding individual coins one at a time. Cash inputs/outputs are arranged side by side and feature “follow-me” lighting guides, so they can be used more quickly. The units also feature high-speed cash recycling technology that can reduce retailers’ currency and coin replenishment requirements.

#### **About RBR**

[RBR](#) is a leading research and consulting firm specialized in the areas of cards, payments and automation in the banking, retail and hospitality sectors. Based in London, RBR serves clients across more than 100 countries worldwide through premium research reports, consulting, newsletters and conferences.

#### **About NCR Corporation**

NCR Corporation (NYSE: NCR) is a global technology company leading how the world connects, interacts and transacts with business. NCR’s assisted- and self-service solutions and comprehensive support services address the needs of retail, financial, travel, healthcare, hospitality, entertainment, gaming and public sector organizations in more than 100 countries. NCR ([www.ncr.com](http://www.ncr.com)) is headquartered in Duluth, Georgia.

[Go back](#)

---

### **Next week is 35th anniversary of retail bar code scanning**

**June 16, 2009**

#### **NCR sold, installed first retail store scanner in a Troy, Ohio, Marsh Supermarket**

**DULUTH, Georgia** – “It’s the wave of the future, and I’m very upbeat on the system.” These were the words almost 35 years ago of Virginia Knauer, special assistant for consumer affairs to the President of the United States, when asked about the Universal Product Code (UPC) and the growing interest in retail bar code scanning.

Today, there is virtually no consumer product that cannot be scanned at the checkout in a retail store.

[NCR Corporation](#) first demonstrated its scanning system in 1974 to an overflow crowd that attended the Super Market Institute convention to view the then-revolutionary technology. Less than two months later, on June 26, 1974, history was

made when a 10-pack of Wrigley's chewing gum became the first product ever scanned in a retail store setting — with an NCR scanner in a checkout lane at a [Marsh Supermarket](#) in Troy, Ohio.

NCR and Marsh quickly made headlines in newspapers and trade publications in the United States, Canada and other countries.

“Throughout its history, Marsh has been a technology leader in the retail industry,” said Lee Nicholson, vice president of MIS for Indianapolis-based Marsh Supermarkets, Inc. “When that package of Wrigley's gum moved across the scan window, and a laser beam ‘read’ the bar code imprinted on the package, it was the beginning of a new era for retailing.”

Indeed, the new system helped revolutionize the world of retailing. Bar code scanning at the point of service soon brought faster checkout for shoppers and gave retailers more information and control over inventory and other areas of store operations. But the revolution didn't stop there.

“That first transaction on an NCR bar code scanner launched a transformation that is still being felt throughout the world of retailing” said Mike Webster, NCR vice president and general manager, Retail and Hospitality. “It's a world where NCR has helped make shopping easier and faster for consumers with a stream of innovative solutions that we intend to drive well into the future.”

Today, retailers use the detailed transaction data collected by [NCR RealPOS™ bar code scanners](#) in ways only dreamed of 35 years ago. For example, consumer loyalty programs—like [NCR Advanced Marketing Solution](#) software—are linked to data that is generated when items are scanned at the point of sale.

In the years since 1974, NCR has introduced a steady stream of technology and software innovations that set the standard for scanning systems in retail stores and made the company today's market leader in high performance scanners.

Moreover, NCR continues to simplify retailing processes and revolutionize the two things most people like least about shopping—waiting in line and paying. For example:

- [NCR SelfServ™ Checkout](#), from the global market leader in self-checkout, can reduce checkout wait times up to 40 percent, greatly enhancing the shopping experience.
- [NCR SelfServ kiosks](#), available with an integrated bar code scanner, support numerous retail self-service functions, including order placement, bill payment, promotional information, gift registries and more.

In addition, the global standards community, led by [GS1™](#), is working with NCR to introduce the first new bar code symbology introduced worldwide to retail since the introduction of the European Article Number (EAN) format in 1977. The GS1 DataBar™ can be used for identifying small items, such as produce, and can carry more information than the current EAN/UPC bar code.

## About NCR Corporation

NCR Corporation (NYSE: NCR) is a global technology company leading how the world connects, interacts and transacts with business. NCR's assisted- and self-service solutions and comprehensive support services address the needs of retail, financial, travel, healthcare, hospitality, entertainment, gaming and public sector organizations in more than 100 countries. NCR ([www.ncr.com](http://www.ncr.com)) is headquartered in Duluth, Georgia.

[Go back](#)

---

## The Phoenix Group to Purchase \$6 Million of Hypercom Optimum Products

**SCOTTSDALE, Ariz., June 23, 2009** – Hypercom Corporation (NYSE: HYC) announced today that The Phoenix Group, the

security Optimum payment products for resale to its bank and ISO customers throughout the United States.

“Our customers demand the best price and performance in this tough economy and leaders like Hypercom deliver on both. Once you see these sensible, best value devices in action, it is abundantly clear that they raise the bar,” said Scott Rutledge, founder and President of The Phoenix Group. “Hypercom’s benchmark-setting products are one of the essential components to the secure functioning of the US electronic transaction market.”

“Leaders like the Phoenix Group are proactively advancing to deliver the most sensible high security payment products that will help US retailers compete and build profits in today’s demanding economic environment. We are delighted to provide the products they need to do just that,” said Heidi Goff, President and Managing Director, The Americas, Hypercom Corporation.

Hypercom’s high security Optimum T4200 product family for North America consists of four powerful 32-bit multi-application devices that share the same platform, user interface and software toolkit to maximize efficiency, application portability and offer customers a broad range of options to serve any market need.

For further information please visit [www.hypercom.com/products](http://www.hypercom.com/products).

#### **About The Phoenix Group ([www.phoenixgrouppos.com](http://www.phoenixgrouppos.com))**

The Phoenix Group is the nation’s largest independent supplier and service provider for point-of-sale products and the only one with distribution agreements with every major manufacturer.

#### **About Hypercom Corporation ([www.hypercom.com](http://www.hypercom.com))**

Global payment technology leader Hypercom Corporation delivers a full suite of high security, end-to-end electronic payment products and services. The Company’s solutions address the high security electronic transaction needs of banks and other financial institutions, processors, large scale retailers, smaller merchants, quick service restaurants, and users in the transportation, petroleum, healthcare, prepaid, unattended and many other markets. Hypercom solutions enable businesses in more than 100 countries to securely expand their revenues and profits. Hypercom is a founding member of the Secure POS Vendor Alliance (SPVA) and is the second largest provider of electronic payment solutions and services in Western Europe and third largest provider globally.

[Go back](#)

---

#### **Metavante, First National Bank of Omaha Renew Prepaid Relationship**

Metavante has announced that the smartOne Prepaid Solutions division of First National Bank of Omaha has renewed its prepaid card processing agreement with Metavante Corporation. Extending a relationship that began in 2005, First National Bank of Omaha will continue offering its smartOne Prepaid Solutions products and services with account processing and real-time account validation services from Metavante. First National Bank of Omaha’s smartOne Prepaid Solutions portfolio includes payroll, reward/incentive and corporate disbursement (travel expenses and relocation funds) prepaid cards.

“Metavante delivers the processing stability and scale we need to facilitate the growth of our smartOne Prepaid Solutions offerings, as well as the flexibility to quickly offer new functionality,” said Scott McCormack, vice president, First National Bank of Omaha. “Shared core values between our two companies are at the heart of our relationship, and those shared values allow us to quickly enhance our offerings to meet the needs of the prepaid marketplace.”

“Metavante and First National Bank of Omaha align well with each other because both entities share broad payments industry expertise and vision,” said Frank D’Angelo, president, Metavante Payment Solutions Group. “As a ‘full suite’ provider of payments solutions, Metavante focuses on the entire payments landscape, including emerging account access channels. Enabling financial institutions to grow their prepaid card relationships and help corporate clients benefit from the value-added cost and workflow efficiencies of electronic payments is one of our core competencies and part of Metavante’s dedicated client support.”

[Go Back](#)

---

## SunTrust, Delta to Introduce New SkyMiles Check Cards

SunTrust and Delta Air Lines have [announced](#) that consumers and businesses will soon be able to earn Delta miles on all signature-based purchases made with a new SunTrust SkyMiles Check Card, launching June 22. According to the two companies, "this will be the first time Delta has offered mileage-earning opportunities through a check card, and is the first co-branded check card relationship for SunTrust." The card will have a minimum annual fee of \$20.

The SunTrust SkyMiles Check Cards meet a growing demand among Delta and SunTrust clients for a check card that earns airline miles. It also reinforces SunTrust's pledge to help clients with responsible financial management through its "Live Solid. Bank Solid" campaign.

"Today, more than ever, consumers are looking for ways to better control their finances and make smart purchasing decisions," said Hugh Gallagher, SunTrust's senior vice president for deposit product management. "The SunTrust SkyMiles Check Card encourages consumers and businesses alike to spend wisely while earning Delta miles. We're very pleased to partner with Delta on this great product."

For every purchase made with an authorized signature, cardholders earn miles that can be redeemed for Award Travel to nearly 400 destinations Delta and its partner airlines serve across the world. There is no mileage-earning cap with a SunTrust SkyMiles Check Card so cardholders can earn unlimited miles. Now in its 28th year, SkyMiles is one of the longest-running and most successful loyalty programs in the travel industry.

"Our SkyMiles members have told us they want a mileage-earning check card, particularly in these challenging economic times," said Jeff Robertson, Delta's vice president of loyalty programs. "SunTrust is a strong banking partner that matches our customer base in the Southeast and Mid-Atlantic. These new cards provide our members with additional options and value while strengthening our overall portfolio of card offerings."

Starting at just \$20, the SunTrust SkyMiles Check Card features the lowest annual fees of any competing airline check card rewards program, and offers the convenience and security of a SunTrust Visa Check Card.

Beginning June 22, consumers can open SunTrust checking accounts with the new SkyMiles Check Card. Existing SunTrust consumer and business checking clients can also upgrade their existing check cards to the SkyMiles Check Card. For more information on the SunTrust SkyMiles Check Cards, consumers may call 1-877- SUNTRUST to speak with a representative or visit a local SunTrust branch.

[Go back](#)

---

## New Research Shows the Diversity of Prepaid to Deliver Resilience Through Economic Slump

### The Resilient Nature of Prepaid: A Bright Spot in a Down Economy

**Boston, MA. - June 29, 2009** -- All 33 segments of the prepaid market operate in a significantly different environment and as a result, each faces its own unique circumstances. The diverse nature of the prepaid market makes it impossible to generate a single characterization that accurately describes the entire prepaid market, even though some experts have tried.

The latest report from **Mercator Advisory Group** "[The Resilient Nature of Prepaid: A Bright Spot in a Down Economy](#)" reviews all 33 segments to understand how the prepaid industry will ride out this economic downturn. The surprising finding is that 18 of the 33 segments are likely to continue to see positive growth while seven will likely see negative growth, while eight will either be neutral or are too hard to call. The common characterization is that consumer purchases of prepaid products at retail locations will experience negative growth, but this ignores evidence that indicates some retail categories have experienced a significant increase in growth rate.

For example, Open-Loop gift cards performed better than usual during the holiday season, likely driven by consumer fears that some merchants would go bankrupt. Other categories that have done well despite the poor economy include the digital

---

content segment and the online games segment. However, the prepaid industry is far more diverse than just merchant gift cards. Prepaid handsets are the fastest growing mobile phone segment, some of our active troops are paid using prepaid cards, and prepaid is used to disburse funds associated with a wide range of social programs, including SNAP (food stamps), state unemployment, school loans, and as a financial instrument in prisons.

*"It is understandable that many have focused on the challenges facing the prepaid industry solely on the downturn in consumer purchases, but to do this shows a lack of awareness regarding the power of channel development." **Tim Sloane, Vice President of Client Services and Director of Mercator Advisory Group's Prepaid Advisory Service and author of the report comments.** "Many merchants have expanded their gift card sales into online gift card malls, have established B2B sales departments that sell to businesses that utilize the cards for a variety of incentive purposes, and have established their brand at a growing number of retail outlets using prepaid mall distributors. Any sales channel can become saturated, but a growing number of leading merchants are now recognizing the critical need to establish gift cards that will be highly differentiated within each channel, so that its growth comes at the competitor's expense."*

**Highlights of the report include:**

- A review of spend on credit, signature debit, and PIN debit by category indicates that consumers are spending differently on key categories due to the economic downturn and clearly this new behavior will also impact consumers purchasing behavior related to prepaid.
- While some prepaid categories have witnessed a significant drop in dollar volume, these declines are more than compensated for by categories that have grown. For example, while many consumers have reduced spending on clothing, they now typically spend more on home repair.
- Prepaid malls continue to be the bright spot in the prepaid market. Prepaid mall sales converted a potentially terrible 2008 into a decent year for many merchants. Some merchants that suffered negative growth for gift card sales in-store, saw significant growth in gift card sales as they increased the number of prepaid mall outlets at which they sold their gift cards.
- Even when talking to merchants who suffered a decline in year-over-year gift card sales, product managers indicated that prepaid gift cards remained a bright spot for the merchant. In some instances, store sales were down by as much as -30%, but gift card sales were only off by -6 or -7% - making the prepaid gift card business a bright spot!
- There are also several prepaid segments that, unfortunately, grow significantly in a down economy. Unemployment compensation is up significant and prepaid cards have now replaced checks in the most populated states, with the exception of California. TANF, SNAP, WIC and other social programs are likewise going to see increased spending and are widely using prepaid instruments for these disbursements to eradicate checks. Transit has also seen significant growth, although primarily due to the increased cost of gas. In short, any credible analysis of the impact the economy will have on the prepaid industry must evaluate all 33 prepaid segments, otherwise opportunities will be lost and the economic consequences overstated.

**This report contains 40 pages and 7 exhibits.**

Members of Mercator Advisory Group have access to these reports as well as the upcoming research for the year ahead, presentations, analyst access and other membership benefits. Please visit us online at [www.mercatoradvisorygroup.com](http://www.mercatoradvisorygroup.com).

For more information, please call Mercator Advisory Group's main line: 781-419-1700 or send email to [info@mercatoradvisorygroup.com](mailto:info@mercatoradvisorygroup.com).

**Mercator Advisory Group** is the leading, independent research and advisory services firm exclusively focused on the payments and banking industries. We deliver pragmatic and timely research and advice designed to help our clients uncover the most

lucrative opportunities to maximize revenue growth and contain costs. Our clients range from the world's largest payment issuers, acquirers, processors, merchants and associations to leading technology providers and investors

[Go back](#)

---

## Credit-Card Companies: Who Qualifies Now?

After years of getting Americans hooked on credit, card companies are slashing limits and weaning themselves off all but the safest customers

By [Prashant Gopal](#)

[http://www.businessweek.com/lifestyle/content/jun2009/bw20090623\\_854197.htm?link\\_position=link55](http://www.businessweek.com/lifestyle/content/jun2009/bw20090623_854197.htm?link_position=link55)

[Go back](#)

---

## Pulse Announces 2009 Debit Issuer Study

Pulse has announced [findings from its 2009 Debit Issuer Study](#) including several positive trends for financial institution debit card issuers such as sustained debit transaction growth despite the recession. This study also found that, while the use of PIN debit has increased, fraud loss rates have declined.

Issuers surveyed experienced debit transaction growth of 8 percent in the second half of 2008, composed of 15 percent growth in PIN debit transactions and 4 percent growth in signature debit. Survey participants predicted 7 percent growth each for PIN and signature debit in 2009.

“Although the economy is a challenge for debit card issuers, as it is for everyone, debit transaction growth remains strong,” said Cindy Ballard, PULSE executive vice president. “Debit card use is expected to continue to grow as the economy bottoms out and begins to recover, because consumers use their debit cards for a large portion of necessary everyday expenses.”

The 2009 Debit Issuer Study revealed that more than a quarter of all debit transactions (27 percent) in 2008 were for less than \$10.

“In most cases, these transactions are replacing cash, highlighting a clear consumer preference for electronic payments,” said Ballard.

Debit card penetration – the percentage of eligible account holders who have a debit card – remained flat at 73 percent. Using an expanded definition of “active” debit cards, the number of issued cards used actively in 2008 was 66 percent.

PIN debit accounted for 35 percent of debit transactions in 2008, up slightly from 34.2 percent in 2007. The average debit transaction value was \$42 for PIN debit and \$37 for signature. Both figures have declined by roughly \$1 compared to the previous study. In addition, active debit cardholders performed 17.3 point-of-sale transactions per month, on average, compared to 16.6 transactions per month in the 2008 survey.

Debit card fraud losses at the point of use declined in all categories. PIN point-of-sale losses, as measured in dollars per card per year, fell to \$0.15 from \$0.19. Similarly, ATM losses declined to \$0.56 per card per year from \$0.61, and signature debit loss rates fell to \$1.81 from \$1.92. Although losses at all three usage points declined year-over-year, the survey did record an increase in share for ATM losses, to 38 percent of total debit fraud losses in 2008 from 25 percent in 2007.

Additional survey findings include:

- Active debit cardholders performed 3 ATM transactions per month, on average, down from 3.4 in the previous survey.
  - More than half of issuers surveyed (53 percent) participate in a surcharge-free ATM network, down slightly from 56 percent in 2007. And 43 percent offer ATM surcharge reimbursements to at least some cardholders.
  - Bill payments represented 10 percent of signature debit transactions in 2008, compared to 7 percent in 2007.
  - The percentage of debit card issuers offering debit rewards programs continues to grow, rising two percentage points to reach 53 percent this year.
-

- Thirty-seven percent of issuers offer mobile banking, compared to 15 percent in 2008, while 38 percent plan to introduce it soon, up from 28 percent last year.

“The 2009 study uncovered several reasons for optimism among financial institutions that issue debit cards,” noted Tony Hayes, an Oliver Wyman partner, who served as project lead on the study. “Among them, debit card-based bill payments account for a small but rapidly growing share of debit card payments, a market with significant potential for growth in the coming years.”

The 2009 Debit Issuer Study results support PULSE’s view that debit cards still have considerable long-term growth potential.

“Despite the challenge of navigating through an economic downturn, debit card issuers have much to be encouraged about,” said Ballard. “Transaction growth remains robust, and issuers see further improvements in the performance of debit card portfolios as a key opportunity in 2009.”

[Go back](#)

---

## Heartland Payment Systems Selects MicroStrategy to Deliver Enhanced Reporting Capabilities to its Customers

Press Release

Source: MicroStrategy

On Thursday June 25, 2009, 4:50 pm EDT

<http://finance.yahoo.com/news/Heartland-Payment-Systems-prnews-615430274.html?x=0&.v=1>

[Go back](#)

---

## VisaNet IPO Puts a Charge Into J.P. Morgan

By Stephen Grocer

<http://blogs.wsj.com/deals/2009/06/25/visanet-ipo-puts-a-charge-into-jp-morgan/>

[Go back](#)

---

## Mercator Advisory Group End-to-End Encryption Report

Mercator Advisory Group has published a new report, [End-to-End Encryption: The Acquiring Side Responds to Data Loss and PCI Compliance](#) that "explores end-to-end encryption (E2EE) in the hands of merchants, payment service providers and processors. In the face of the three bogies of PCI DSS compliance and penalties, reputational risk and direct financial loss, the acquiring half of the payments process is evaluating options for eliminating cleartext cardholder data from their systems. Tokenization (the subject of a recent Mercator report) and end-to-end encryption are the leading candidates. This report examines the complexity of E2EE within payments and enterprise security."

"End-to-end encryption's beauty is very much in the beholder's eye. If you're a Tier one merchant in no mood to risk the reputational crisis of a data breach, using E2EE to rid your network of card data is a good move," George Peabody, Director of Mercator Advisory Group's Emerging Technologies Advisory Service and principal analyst on the report.

"E2EE also reduces the scope of PCI compliance audits and remediation costs but the beauty of encryption and card security will likely be lost on millions of Tier 4 merchants. Strong sales incentives and messaging will be required to have them join in the data protection fight."

? End to end encryption (E2EE) is a long forestalled rational reaction to data breaches and PCI DSS audit costs.

? The advantages to merchants of getting out from under a large set of PCI compliance burdens may make E2EE worthwhile.

? Defining the "ends" in E2EE is a key step for every deployment.

---

? The encryption zones under a processor's control - from the merchant's magstripe reader to the interconnection point with card brand or issuer - appear to be a manageable domain where the burdens of key management and new POS gear equal the benefits.

? Standards development is in early days. A new working group under ASC X9 has brought together the key stakeholders, some of whom have sharply diverging goals.

Companies and programs mentioned in this report include: Hypercom, VeriFone, Ingenico, MagTek, Magensa, Heartland Payment Systems, Visa, MasterCard, RBS Worldpay, RSA, Prime Factors, Verizon Business, Voltage Security, Semtek, Futorex, SafeNet, Transaction Network Services (TNS), Thales, Atos worldwide, HP Attala, Banco de Credito e Inversiones, Propay, Fifth Third Bancorp, and EMVCo.

Members of Mercator Advisory Group have access to these reports as well as the upcoming research for the year ahead, presentations, analyst access and other membership benefits. Please visit us online at <http://www.mercatoradvisorygroup.com>

[Go back](#)

---

## **New Mobile Money FastTrack™ from Fiserv Speeds Delivery of Mobile Banking Services**

### **Affordable solution enables financial institutions to rapidly meet today's mobile banking requirements while providing a platform for future innovation**

BROOKFIELD, Wis., Jun 01, 2009 (BUSINESS WIRE) -- Fiserv, Inc. (NASDAQ: FISV), the leading global provider of financial services technology solutions, today introduced Mobile Money FastTrack(TM), a straightforward mobile banking solution that can be rapidly deployed by financial institutions. Mobile Money FastTrack, a streamlined version of the flagship Mobile Money<sup>SM</sup> solution introduced by Fiserv in 2008, delivers essential mobile banking features within an affordably packaged solution that can be enhanced as the mobile channel matures.

Mobile Money FastTrack can provide "triple play" technology that enables consumers to access their accounts using any of the three primary mobile access modes: mobile browser, SMS (text messaging) or a downloaded application. The solution combines banking and payments capabilities, and includes functions such as balance inquiries, transaction history, account transfers, bill payments and one and two-way account alerts. Informational services such as an ATM and branch locator are also included.

Available in an in-house or hosted version, Mobile Money FastTrack is a licensed solution targeted toward mid- to large-sized financial institutions. The solution is pre-integrated into select Fiserv banking products, and mobile browser and SMS-based mobile banking functionalities can be implemented within 90 days for many financial institutions. Mobile Money FastTrack features around-the-clock deployment support and utilizes security best practices such as data encryption, along with additional risk management safeguards.

"The business value enabled by mobile financial services will evolve as consumers adopt financial products and services that can be delivered through their mobile devices," said Stessa Cohen, research director, Gartner, Inc. and co-author of the April 2009 report "Evaluating Vendors' Ability to Support a Mobile Financial Services Strategy." "Banks should evaluate mobile financial services technology based on their capability to support not only current functionality, but also enterprise mobile financial services functionality and future technology requirements. Creating an enterprise mobile financial services strategy that serves both short-term and long-term business goals will enable the bank to keep pace with functional development as well as volatile market dynamics."

Rather than simply duplicate online banking capabilities, Mobile Money FastTrack is designed to address the specific needs of mobile banking users via features such as two-way account alerts. Additionally, the exclusive RenderRight(TM) technology utilized by Mobile Money FastTrack automatically customizes the user interface for the consumer's mobile device, enabling the financial institution to reach any consumer, on any network, on any device. The available downloaded application

technology also supports mobile banking on high profile devices such as BlackBerry<sup>(R)</sup> smartphones and the Apple<sup>(R)</sup> iPhone(TM).

Mobile Money FastTrack offers both online and offline enrollment capabilities. These multi-channel enrollment capabilities attract more customers to the mobile channel. Once enrolled in mobile banking, customers have been shown to turn to the mobile channel for inquiries more often than higher cost contact centers and branch operations.

"In the current economic environment, financial institutions are being strategic about their investments. For those institutions looking to implement a mobile banking solution, Mobile Money FastTrack from Fiserv provides an affordable solution that can be up and running quickly, without consuming a lot of internal resources," said Todd Leshner, president, Electronic Banking Services, Fiserv. "Financial institutions that implement Mobile Money FastTrack can begin realizing a return on investment from day one as consumers are diverted from more costly channels. In addition, institutions can have peace of mind knowing they are positioned to capitalize on future growth in mobile banking."

Mobile Money FastTrack from Fiserv incorporates technology from Atlanta-based M-Com Inc. M-Com and Fiserv announced their technology partnership in September 2008 under the label Mobile Money from Fiserv. Mobile Money is the industry's most complete mobile banking and payments solution, supporting consumers on all three mobile access modes, offering online and offline enrollment capabilities and integrating with core banking, online banking and electronic payments systems. By leveraging the combination of M-Com's BankAnywhere solution and Fiserv's technology assets such as online banking, electronic billing and payment, and fraud management tools, Fiserv delivers to financial institutions a complete end-to-end suite of multi-channel financial services.

### **About M-Com**

Founded in New Zealand in 2000 and headquartered in Atlanta, GA, M-Com is an international mobile banking and payments solution provider with live Fortune 500 banking customers across Asia Pacific and North America. M-Com's core proposition is centered on delivering a positive return on investment through world class adoption metrics for the mobile channel while providing the lowest total cost of ownership. For more information, visit [www.mcom.co.nz](http://www.mcom.co.nz).

### **About Fiserv**

Fiserv, Inc. (NASDAQ: FISV) is the leading global provider of information management and electronic commerce systems for the financial services industry, driving innovation that transforms experiences for financial institutions and their customers. Ranked No. 1 on the FinTech 100 survey of top technology partners to the financial services industry, Fiserv celebrates its 25<sup>th</sup> year in 2009. For more information, visit [www.fiserv.com](http://www.fiserv.com).

[Go back](#)

---

## **Sevenval and Wincor Nixdorf form strategic partnership in mobile banking**

Goal: making online banking services usable from mobile phones

Sevenval GmbH and Wincor Nixdorf have formed a strategic partnership, bundling the expertise of both companies to enable financial institutions to have fast, easy access to the mobile world. This partnership will allow Sevenval, a leading technology specialist in mobile Internet portals, to expand its international activities. As one of the world's leading suppliers of IT solutions for banks, Wincor Nixdorf is expanding its PC/E Retail Banking Solution Suite with Sevenval's multichannel output technology. In the future this will allow Wincor Nixdorf to map retail banks' Internet portals and services on mobile terminals and home entertainment systems.

The new browser-based software PC/E Mobile Banking ensures that banks can offer financial services such as account information, funds transfers or sales of securities by mobile phone – anytime, anywhere. The software makes use of the bank's existing IT infrastructures and optimizes customer access to the mobile banking channel. The benefit for the bank: the mobile

channel can be expanded without the need to develop an additional, redundant infrastructure, and customers enjoy an optimal mobile banking experience. In addition, services familiar from Internet banking and high standards of security can be ensured on mobile terminal devices just as on stationary ones.

“The customization of the output format to the different mobile terminal devices guarantees that the complete solution is easy for bank customers to use and that the technical work, time involved and costs to banks remain modest,” states Thomas Certa, head of Solution Marketing at Wincor Nixdorf. “Our cooperation with Sevenval means that we will be able to rely on technology components that have proven themselves on the market. This will help us in our ongoing, long-term objective of strengthening our solution portfolio for mobile banking and mobile payment,” continues Certa. Sevenval’s FIT technology is already in use at numerous banks in Europe. It automatically adapts online services for use on Internet-capable mobile telephones. Depending on the device features, Sevenval FIT Multi Channel Server optimizes the navigation, display and content of Internet banking portals on any mobile telephone with the support of a continually-updated profile database. Whether a customer has a classic mobile phone, PDA, BlackBerry or iPhone – for every product on the market, customers receive an optimized and easy-to-use version of the bank’s Internet services.

Often, new mobile phone models are supported even before they are officially released for sales. Other Internet-capable devices such as games consoles, navigation systems or multimedia television set-top boxes are also added to the profile database. This ensures that transaction services can be carried out anywhere, anytime, securely and comfortably. “The solution’s flexible architecture also allows product information and other services such as financial information and ATM finders to be added,” notes Sascha Langfus, a member of Sevenval’s management. “Owing to its multichannel product portfolio and international presence, Wincor Nixdorf is an ideal partner for us in our continued expansion of our leading market position in mobile banking.”

[Go back](#)

---

### 3 New *CEO Mobile*<sup>SM</sup> Features Help Busy Executives

#### See Where Money Is and What It’s Doing

SAN FRANCISCO, June 4, 2009 – Wells Fargo & Company (NYSE: WFC) said today it has added three new applications to its *CEO Mobile*<sup>SM</sup> service that help corporate executives get financial information via mobile devices whenever and wherever they need it:

- Credit Management Service – View summary and detailed loan information and select new interest rates for certain loans nearing maturity;
- New Treasury Information Reports – Check lockbox deposits and intraday returned items, in addition to other key reports;
- Productivity Tools – Click on the Mobile Fastpath next to the name of a service on the *CEO Mobile* home page and go directly to the transactions that require your attention; this patent-pending feature has been enhanced to show you how many action items await.

Each new *CEO Mobile* tool, designed with input from Wells Fargo customers, helps busy executives complete work away from the office and execute business continuity plans.

“In a lean business environment where margins matter more, it’s important to keep a close eye on your transactions and act quickly,” said Amy L. Johnson, manager for the *CEO Mobile* service. “Our *CEO Mobile* service not only delivers several key reports, but allows our customers to initiate and approve transactions.”

In addition, *CEO Mobile* service added Mobile Basic Banking last fall, allowing users to access their personal Wells Fargo cash and credit accounts, view transactions, and transfer funds through mobile devices. With a secure sign-on to <https://ceomobile.wf.com> with their *Commercial Electronic Office*<sup>®</sup> (*CEO*<sup>®</sup>) portal credentials, customers can stay on top of

their cash management functions from meetings, airports, across town, or around the globe.

Wells Fargo introduced the *CEO Mobile* service – a streamlined version of its *CEO* portal – to a select group of customers in April 2007 and offered the service to all commercial customers in late 2007, becoming the only major U.S. financial services company to offer mobile banking to commercial, corporate, and institutional customers. The *CEO Mobile* service also offers wire approval and initiation, image positive pay, intraday and previous day composite treasury reports, controlled disbursements summary, ACH Fraud Filter, and self administration password reset.

Wells Fargo & Company is a diversified financial services company with \$1.3 trillion in assets, providing banking, insurance, investments, mortgage and consumer finance through more than 10,400 stores, over 12,000 ATMs and the internet (wellsfargo.com) across North America and internationally.

[Go back](#)

---

## **Delta Community Credit Union Selects Mobile MoneySM from Fiserv**

### **Flexible “triple play” solution will deliver mobile financial services to all members**

Press Release

Source: Fiserv, Inc.

On Thursday June 25, 2009, 11:43 am EDT

<http://finance.yahoo.com/news/Delta-Community-Credit-Union-bw-15619026.html?x=1&.v=2>

[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)