



News

Industry Update.....	14
New fees, more money for Visa, MasterCard.....	50
RBS, Heartland PCI compliance revoked: What's next?.....	50
A token of payments to come.....	52
Raising the ACH bar.....	54
Virtucard for virtual goods.....	55

Features

SellingPrepaid

Prepaid in brief.....	34
Boom time for prepaid game card market.....	36
Global payroll done with SaaS.....	36
The state of escheatment.....	37

AgentTalkSM: Bill Pirtle

He's got consultative sales down.....	85
---------------------------------------	----

Views

Be the toast of hosts By Scott Henry, VeriFone.....	28
Sluggish economy spurs faster payments By Nasreen Quibria, Association for Financial Professionals.....	30
Mobile payments? Not yet By Biff Matthews CardWare International.....	32

Education

Street SmartsSM

Who are you? By Jon Perry and Vanessa Lang 888QuikRate.com.....	66
Pull back the expense curtain By Jeff Fortney, Clearent LLC.....	76
Downshifting to rev up sales By Christian Murray Global eTelecom Inc.	78
PCI versus tricky technology By Tim Cranny, Panoptic Security Inc.	80
Five magical questions in making sales By Daniel Wadleigh Marketing Consultant.....	84

April 13, 2009 • Issue 09:04:01

Legislative outlook: Some clouds but no rain

By Patti Murphy

The Takoma Group

A storm is brewing in Washington, where Democrats control both the White House and U.S. Congress for the first time in a generation. Faced with a financial crisis that many politicians blame on extensive deregulation of the financial services industry, President Obama's administration and Congress have made financial services re-regulation one of the first orders of business.

Credit card fees are on the docket, and retailers are pushing to have interchange added to that debate. Meanwhile, the Federal Trade Commission is angling for more consumer protection powers, which could portend more attention from Washington on data breach legislation.

Bills that would add teeth to consumer credit-protection laws have already survived the initial rounds of voting in the House and Senate.

In the House, Rep. Caroline Maloney, D-N.Y., is sponsoring HR 627, The Credit Cardholder's Bill of Rights of 2009, and HR 1456, The Consumer Overdraft Protection Practices Act of 2009.

HR 627, which boasts more than a dozen co-sponsors, including House Financial Services Committee Chairman Barney Frank, D-Mass., is essentially the same bill that passed the House overwhelmingly but was defeated in the Senate during the last Congress. The legislation takes aim at some of the most contested card-issuer practices, such as spiraling interest rates.

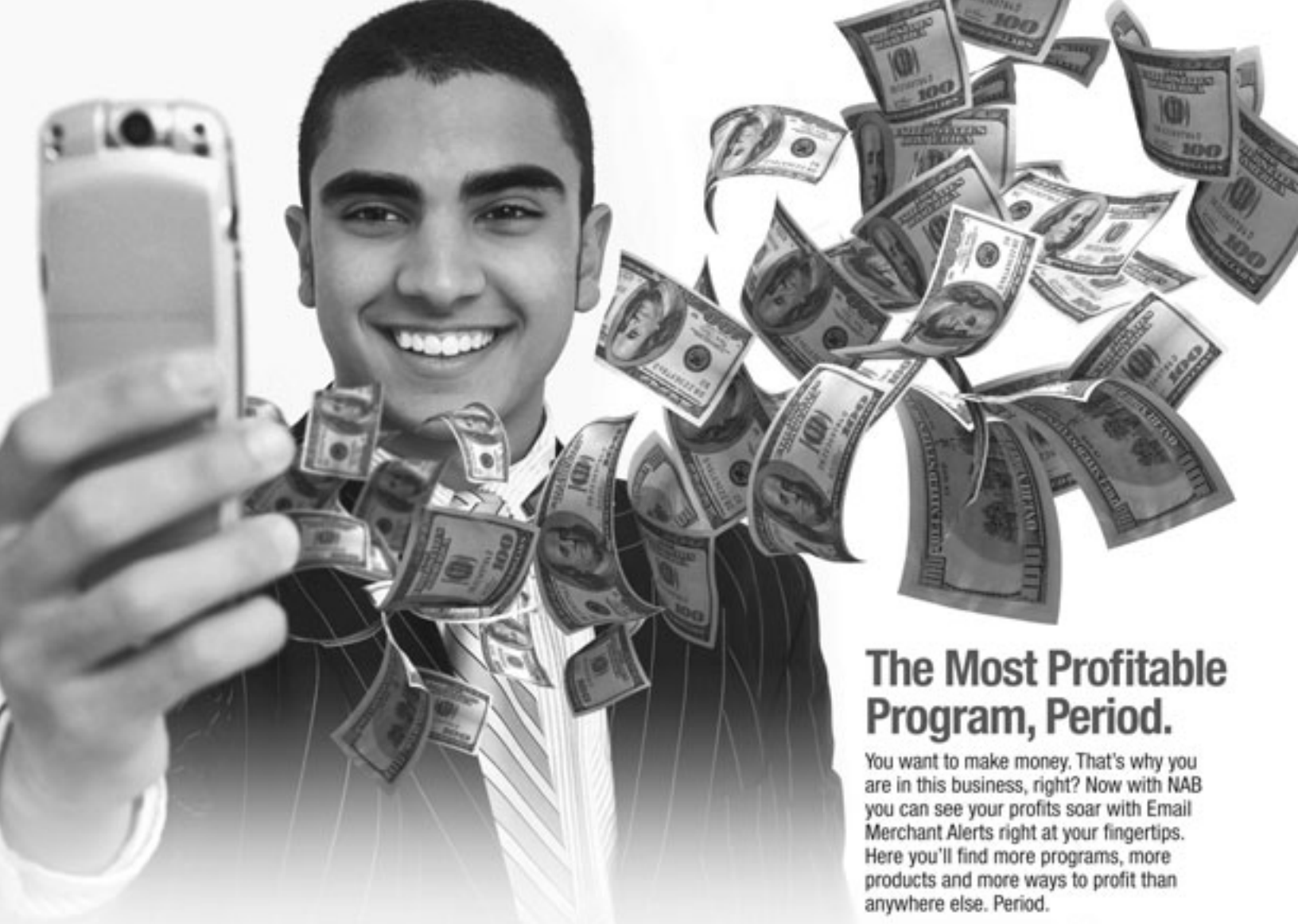
HR 1456 would further regulate fees for bounced checks and overdraft loans.

In the Senate, Sen. Chris Dodd, D-Conn., a long-time champion of consumer credit protections, has crafted The Credit Card Accountability, Responsibility and Disclosure Act (Credit CARD Act). It mostly calls for reforms in cardholder protections, but also asks for a study by the Government Accountability Office of the impact of interchange fees on both merchants and consumers.

During a recent hearing on the bill, however, Dodd voiced concerns about interchange pricing, suggesting opponents of interchange may have an ally in Congress. Noting that interchange creates revenues based on card volumes (and not the underlying creditworthiness of cardholders), he said he was concerned credit card companies are headed for a repeat of the mortgage market meltdown that began last year.

Retailers grabbed hold of that notion and are running with it.

"We know that one of the causes of our current financial crisis is that the business model with respect to mortgage lending shifted," Mallory Duncan, General



The Most Profitable Program, Period.

You want to make money. That's why you are in this business, right? Now with NAB you can see your profits soar with Email Merchant Alerts right at your fingertips. Here you'll find more programs, more products and more ways to profit than anywhere else. Period.

Electronic Alert Systems

Staying up-to-date with your clients means better service for them and more profits for you. Receive alerts on merchant activity and account progress right to your email or phone.

Higher Residual Income

With NAB, you will receive a true interchange revenue split up to 65%. And only with NAB can you share income on every available revenue stream.

Better Pricing

Get the power to close any deal with 2-cent IP pricing and 2.5-cent dial-up pricing!

Free Equipment

The Most Flexible & Most Profitable! Now, more free terminal choices than ever. No Annual fee or Batch Header fee required! If you charge one, you share in it.

More Products = More Opportunities

More to sell means more opportunity to make money — you've built your list of merchants, now build more income with our ever-growing list of product offerings.

Fleet Cards, Cash Advances, Check Services, ATMs and Gift/Loyalty Card Programs.

It's Time You Got Paid!

- \$3,000 Signing Bonus!
- Up to \$750 Conversion Bonus!
- \$200 Activation Bonus!
- Don't Need Free Equipment?
Get an Additional \$100 Bonus!
- Monthly Sales Promotions for
Maximum Productivity and Profitability!

Get Paid Daily or Weekly

Why wait weeks to get your cash? NAB gives you the opportunity to choose when you get paid!

Complete Medical Benefits

NAB will reimburse 50% of your current health insurance premium up to a maximum amount of \$300 per month.

NorthAmerican
BANCARD™

Discover the difference NAB can make for you! • 1-888-229-5229 • www.GONAB.com

North American Bancard is a registered ISO/MSP of HSBC Bank USA, National Association, Buffalo, NY and Wells Fargo Bank, N.A., Walnut Creek, CA.

Advisory Board

- » Tony Abruzzio—Global Payments Inc.
- » John Arato—MagTek Inc.
- » Adam Atlas—Attorney at Law
- » Clinton Baller—PayNet Merchant Services Inc.
- » Audrey Blackmon—TASQ Technology
- » Sam Chanin—Tribul Merchant Services
- » Steve Christianson—AAMonte Bankcard
- » Steve Eazell—Secure Payment Systems Inc.
- » Peter Estep—National Bankcard Systems Inc.
- » W. Ross Federgreen—CSRSI
- » Jim Fink—EVO Merchant Services
- » Kim Fitzsimmons—First Data Merchant Services
- » Ed Freedman—Total Merchant Services
- » Marc Gardner—North American Bancard
- » Russ Goebel—Quantus Health Solutions LLC
- » Matt Golis—YapStone Inc.
- » Alex Goretsky—USA ePay
- » Curt Hensley—CSH Consulting
- » Jared Isaacman—United Bank Card Inc.
- » Kevin Jones—First American Payment Systems
- » Jerry Julien—Equity Commerce LP
- » Lazaros Kalemis—Alpha Card Services Inc.
- » Dee Karawadra—Impact PaySystem
- » Allen Kopelman—Nationwide Payment Systems Inc.
- » Mitch Lau—Money Tree Merchant Services
- » Mitch Levy—Merchant Cash and Capital
- » Dan Lewis—AmeriBanc National Ltd.
- » Douglas Mack—Payex
- » Paul Martaus—Martaus & Assoc.
- » Biff Matthews—CardWare International
- » David McMackin—AmericaOne Payment Systems Inc.
- » Tim McWeeny—WAY Systems Inc.
- » Patti Murphy—The Takoma Group
- » Michael Nardy—Electronic Payments Inc. (EPI)
- » Joseph Natoli—NPC
- » Steve Norell—US Merchant Services
- » Garry O'Neil—Electronic Exchange Systems
- » Bulent Ozayaz—VeriFone
- » Marcelo Paladini—Cynergy Data
- » Michael Pettiti—Trustwave
- » Bill Pittman—SoundPOS LLC.
- » David Press—Integrity Bankcard Consultants Inc.
- » Steve Rizzuto—TransFirst
- » Charles W. Salyer—Ladco Leasing Inc.
- » Jeffrey I. Shavit—Charge Card Systems Inc.
- » Lisa Shipley—Ingenico North America
- » Rick Slifka—Exec-Links LLC
- » Dave Siembieda—CrossCheck Inc.
- » Ted Svoronos—Group ISO
- » Scott Wagner—GO Direct Merchant Services Inc.
- » Matt Whitaker—Smart Payment Solutions
- » Dan D. Wolfe—Teledraft Inc.
- » Sam Zeitz—American Bancard LLC

Notable Quote

MLSs are told repeatedly in articles and advertisements that the best relationships are based on the per-transaction fee and revenue split. Processors recognize these two factors are influential, and they build their compensation programs around them, feeding the perception that agents can earn more revenue through lower fees and higher splits.

See story on page 76



Inside this issue: *CONTINUED*

Company Profiles

UseMyBankServices Inc.	
Payments' perfect storm.....	41
Data Delivery Services Inc.	
Special delivery	45

New Products

Instant mobile processing.....	89
A most literate check reader.....	90

Inspiration

See it, believe it.....	93
-------------------------	----

Departments

Forum.....	5
Datebook.....	92
Resource Guide.....	96
Advertiser Index	110

Miscellaneous

QSGS: Quick Summary Green Sheet.....	8
Bottom Lines.....	14
Water Cooler Wisdom	93
ISOMetrics.....	95

Affiliations:



Green Sheet, Inc. — Winner
APEX Awards for Publication Excellence
in print and online—7 consecutive years.
Plus, Grand Awards in 2004, 2005, 2006 & 2007

WE'LL HELP YOU WEATHER THE STORMS

We've developed NEW
ways to advertise in
The Green Sheet, GSQ
and GS Online

We offer more than
a dozen ways to get
your name in front
of thousands of
readers in print
and millions online.

Our Resource
Guide is stronger
than ever; you
can now list *online*
only starting at
\$525 per year.



Call TODAY
to advertise or upgrade
Rita Francis
866-429-8080



President and CEO:

Paul H. Green paul@greensheet.com

General Manager and Chief Operating Officer:

Kate Gillespie kate@greensheet.com

CFO/Vice President Human Resources & Accounting:

Brandee Cummins brandee@greensheet.com

Managing Editor:

Laura McHale Holland laura@greensheet.com

Senior Editor:

Patti Murphy patti@greensheet.com

Senior Staff Writer:

Dan Watkins dan@greensheet.com

Staff Writers:

Michael Miller mike@greensheet.com

Joe Rosenheim joe@greensheet.com

Ann Wilkes ann@greensheet.com

Asst. VP of Production, Art Director:

Troy Vera troy@greensheet.com

Production:

Lewis Kimble, Production Manager lewis@greensheet.com

Asst. VP of Advertising Sales:

Danielle Thorpe danielle@greensheet.com

National Advertising Sales Manager:

Rita Francis rita@greensheet.com

Advertising:

Kat Doherty, Advertising Coordinator kat@greensheet.com

Circulation:

Vicki Keith, Circulation Assistant vicki@greensheet.com

Correspondence:

The Green Sheet, Inc.

800-757-4441 • Fax: 707-586-4747

6145 State Farm Drive, Rohnert Park, CA 94928

Send questions, comments and feedback to greensheet@greensheet.com

Send press releases to press@greensheet.com

NOTE - Please do not send PDF versions of press releases.

Print Production:

Hudson Printing Company

Contributing Writers:

Tim Cranny tim.cranny@panopticssecurity.com

Jeff Fortney jeff@clearent.com

Scott Henry scott_henry@verifone.com

Vanessa Lang vanessa.lang@888quikrate.com

Biff Matthews biff@13-inc.com

Christian Murray cmurray@globalelecom.com

Jon Perry jon.perry@888quikrate.com

Nasreen Quibria nquibria@afonline.org

Daniel Wadleigh morenewcustomers@gmail.com

The Green Sheet (ISSN 1549-9421) is published semi-monthly by The Green Sheet Inc., 6145 State Farm Dr., Rohnert Park CA 94928. Subscription is FREE to participants in the payment processing industry, an annual subscription includes 24 issues of The Green Sheet and 4 issues of GSQ. To subscribe, visit www.greensheet.com. POSTMASTER: send address changes to The Green Sheet Inc., 6145 State Farm Dr., Rohnert Park CA 94928. Any questions regarding information contained in The Green Sheet should be directed to the Editor in Chief at greensheet@greensheet.com. Editorial opinions and recommendations are solely those of the Editor in Chief.

In publishing The Green Sheet, neither the authors nor the publisher are engaged in rendering legal, accounting, or other professional services. If legal advice or other expert assistance is required, the services of a competent professional should be sought. The Resource Guide is paid classified advertising. The Green Sheet is not responsible for, and does not recommend or endorse any product or service. Advertisers and advertising agencies agree to indemnify and hold the publisher harmless from any claims, damage, or expense resulting from printing or publishing of any advertisement.

Forum

Sponsorship available
707-586-4737

Bedazzled internationally

I just wanted to say thank you for the fantastic article you did on all of us "dazzling divas."

It was so nice to see a different "spin" on the payments industry and so interesting to see the diverse paths that we have all taken to get where we are today.

I hope it will inspire others – male and female – to venture out of the usual niches in payment processing.

I must also mention that *The Green Sheet* has quite a broad reach: I've had calls and e-mails from associates and clients – in half a dozen countries – that read the article.

Melody Wigdahl
UseMyBank Services Inc.

Melody,

Thank you for your positive feedback regarding "The dazzling divas of payments," the lead article in *The Green Sheet*, March 9, 2009, issue 09:03:01. It's good to know we are providing useful, uplifting information and reaching a wide audience in our globally interconnected world.

Editor

Oops, forgot my name

I created a login ID and password and cannot remember my user name. I also can't create a new user name because the old one is connected to my e-mail address.

Could you possibly help me? Thank you in advance.

Julian Archibald
AcceptPay Legal Group

Julian,

Not to worry. Just get in touch with Vicki Keith in our office by e-mail at vicki@greensheet.com or by phone at 800-757-4441. Based on specific information you provide, she can let you know what your current user name is.

She can also help if you've forgotten your password. However, if you decide your user name no longer suits you, contact Wolf Stiles, our System Administrator at wolf@greensheet.com. He can set you up with a new moniker.

Editor

From GS Online's MLS Forum The premier online network for payment pros

Figuring out residuals

GS Online MLS Forum member skideepow posted the following question on the Forum: I know this is a basic question, but what is the formula for figuring out future residual payments? I searched it but did not find anything.

Following are some of the answers he received from other Forum members:

A very rough formula would take into consideration the following: effective rate charged at average ticket, multiplied by volume of account, minus cost, multiplied by percentage of split. This will get you close. – amusa

It depends on how you are writing the accounts. Interchange plus is the easiest to determine because it's basis points/volume, and then your per-item and statement fee spread. If you are using a tiered pricing model downgrading to buckets, it will be a little harder to determine a real formula per se, but you can use averages based on the following:

- Your cost/Schedule A
- Average markup (where you price your accounts)
- Average ticket and average volume of your merchants

At the end of the day, with these items, you should be able to create a rough "guess" that would be pretty close. Good luck. – Jason A. Felts

Wisdom shared

Here are some comments excerpted recently from the Forum:

What we can learn together can help us collectively improve in the future. – jonperry

Think big but get a good education prior to moving to the next level. – TheCreditCardMan

If you help enough people get what they want, you will get what you want. – klinckphilip

Timing is not everything. It is only one factor. It helps, but it won't make you or break you. – hipoint

If you understand the anatomy of a sale and carry it through, you are the one who creates the timing. – nwbc



**The Best Support,
Period.**

Is your current processor not taking your success as seriously as you do? At North American Bancard, we offer our Sales Partners the state-of-the-art technology and sales tools they need to become successful and stay that way. Want the support you deserve? Make the switch to NAB today.



Sales Partner Email Alert System

Stay on top of your merchant's needs and stay one step ahead of your competition with NAB's customizable email or text message alerts. Get instant daily access to valuable information like processing levels, first transaction alerts and low activity warnings.

Merchant Level Transaction Reporting

Take your business to the next level with batch totals delivered right to your computer or phone. Monitor merchant activity, receive email or text message notifications on accounts and more.

Agent Info Center

Get online. Then, get instant access to everything you'll need to increase your productivity and profits. Real-time merchant status. Residual reports. Customized merchant applications. Marketing materials. Plus, the latest industry-leading sales tools right at your fingertips.

Lead Wizard

Access to customized pulls from millions of new and existing business leads instantly.

ELAP

Put the power of the World Wide Web to work for you with NAB's online merchant application entry system.

Customized Mirrored Website

Put your best face forward with your very own professionally developed website – complete with your contact information and customized pricing.

“Click Here I Agree”

Utilize this online resource and you'll agree that submitting applications has never been easier. No signatures! No mailing! No faxing!

Training

Want to keep your competitive edge? NAB will be there for you every step of the way with ongoing training to help you increase your sales.

Merchant Support Notification

With our exclusive Ticket Management System, every time we receive a call, you'll receive an auto-responder via email detailing your merchant's concern and how it was resolved.

FREE Tablet PC

Ready to close the deal? Set it in stone on our state-of-the-art Tablet PC – FREE upon your 10th approved deal through ELAP.

Total sales support. Just one more way we are creating a better opportunity and a brighter future for our Sales Partners. Want to make more money? Make the switch.

Call 1-888-229-5229 or visit www.GONAB.com today!

QSGS

A quick summary of key articles in this issue to help keep you up-to-date on the latest news and hot topics in the payments industry.

Sponsorship available
707-586-4737

Cover Story

1

Legislative outlook: Some clouds but no rain

Faced with a financial crisis that many politicians blame on extensive deregulation of the financial services industry, the White House and Congress have made financial services re-regulation one of their first orders of business. Consumer credit-protection laws are circulating in the House and Senate, and retailers are pushing to have interchange added to the debate.

View

32

Mobile payments? Not yet

Prevalent elsewhere in the world, particularly Europe and Asia, mobile payments have a combined global market value projected to top \$600 billion by 2013. Yet, in the United States, mobile payments have failed to gain traction. This article delves into the causes for this lack of acceptance and questions whether mobile payments are on the horizon in the U.S. market.

View

28

Be the toast of hosts

It is increasingly apparent that there is significant exposure to data security threats for merchants of all sizes. A better way exists to deal with this security threat. It's called end-to-end encryption, and it could provide you a new revenue stream.

Feature

36

Selling Prepaid: Global payroll done with SaaS

For companies with global workforces, the future of payroll management is in third-party software as a service providers, according to Martin Stockton, Global Vice President for Business Development at Patersons HR & Payroll Solutions Ltd. In a recent webinar, Stockton said, "There is no excuse now for why a global payroll solution isn't possible."

View

30

Sluggish economy spurs faster payments

As financial malady permeates the economy, corporate businesses are seeking ways to deal with the changing times. One strategy is to get back to basics. Finance executives are taking a closer look at core activities, namely leveraging the payment process – advancing receivables while moving to lean payables.

News

50

New fees, more money for Visa, MasterCard

MasterCard Worldwide and Visa Inc. are revising fee schedules, upping the ante for merchant acquirers. Unlike interchange, which benefits bankcard issuers, these new fees will flow directly to the card companies. It's a move that could pay off handsomely for their shareholders.



In the end, doesn't it all come down to stability and providing for you and your family?

For those who qualify, AmericaOne offers long-term employment with salary, commissions, bonuses and benefits, all of which are far above industry standards. We're a fast-growing, employee-owned company with a lucrative stock option plan for the right individual.

AmericaOne has 19 regional offices nationally and is currently expanding into new markets. We have sales and sales management openings for qualified individuals who have the drive and desire to be a part of something very big.



We're hiring.

Call us to schedule an interview:

(800) 503-2516



*You've got the customer's attention,
so why are you only selling them one
product and limiting your income potential?*

Increase Your Income Potential, **Earn FREE ATMs!**

Earn Commissions on ATMs and
Payment Processing

In 2008 the U.S. saw an increase in ATM transactions, and you could have profited from that increase.

If you're in the bankcard business but not selling ATMs, you are leaving money on the table for both you and your clients. Your customers trust you with their payment needs. Why sell them, and yourself, short?

Payment Alliance International is the fastest growing company in the payments business. PAI supports over 30,000 ATM customers and more than 29,000 merchant customers.

Let PAI help build your business with a full suite of ancillary value added services like ATMs and Prepaid Services. When you choose PAI for your bankcard processing you will earn FREE ATM's that will generate income for you and your merchants every month.

- Grow Your Merchant Base
- Reduce Merchant Attrition
- Increase Profits

For a limited time, when you process your bankcard business through PAI, you can earn FREE ATMs.



Process your bankcard
business through PAI
and earn

FREE ATMs

A \$1895 Value

Limited time offer

*Call us today and see what we can do for you.
You have nothing to lose and everything to gain!*

Don Apgar
(631)780-5312
don.apgar@gopai.com
www.gopai.com



News

50

RBS, Heartland PCI compliance revoked: What's next?

Following a stretch in which no penalty was handed down for two large-scale data breaches, Visa revoked the Payment Card Industry (PCI) Data Security Standard (DSS) compliant statuses of both Heartland Payment Systems Inc. and RBS WorldPay Inc. What's next for these two companies? And are changes in store for the PCI DSS?

News

55

Virtucard for virtual goods

The Virtucard, a new online payment method from SafPay Inc., promises no chargebacks and a low per-transaction fee for merchants while offering anonymity and security to consumers. Consumers load the virtual mall cards with their banks' online bill-pay providers and use them like gift cards at participating online stores.

Education

66

Street SmartsSM: Who are you?

This is the first article Jon Perry and Vanessa Lang have written as our 2009 – 2010 Street Smarts authors. They tell the story of what led them to the payments industry and offer tips to MLs about gaining an advantage over the competition.

Education

76

Pull back the expense curtain

"Pulling back the curtain," a phrase traceable to the film, *The Wizard of Oz*, can describe situations in which information gives a true picture of what's going on behind the scenes. Some processing providers think it's easier to live in a world of perception rather than disclose facts. But should the curtain between the processing partner and the salesperson remain closed?

*You are not a
tiny cog in a big machine.*



At COCARD,[®] you are a TRUE PARTNER.
Everything we do maximizes and protects
your lifetime residuals – as if they were
our own! One-of-a-kind, TRUE PARTNERSHIP.
We really are ... A Whole New Kind of Company.

- > Forget the splits; A TRUE PARTNERSHIP
- > Multiple processing platforms
- > Prenegotiated buying power with processors and vendors
- > Next-day funding
- > Unique exit strategy


COCARD[®]

A Whole New Kind of Company

www.cocard.net >> 800.882.1352

Education

78

Downshifting to rev up sales

The U.S. automotive industry continues to struggle, but there is more than a glimmer of hope for ISOs and merchant level salespeople (MLSs) who cater to this market. Fewer new cars are being sold, but more people are taking their cars to shops for repairs and preventive maintenance. Now is the time to capitalize on a shifting trend.

Education

84

Five magical questions in making sales

Underlying every sale (or missed sale) is the value system of a particular customer. As an ISO or MLS, it's important to appeal to that value system in your sales pitch. Here are five magical questions for unveiling a customer's hidden value system.

Education

80

PCI versus tricky technology

Investigators recently found detailed blueprints and electronic schematics of Marine One, the U.S. president's helicopter, on a server in Iran. Payment professionals who think they don't have to worry about the vulnerabilities in peer-to-peer applications should sit up and take notice.

Inspiration

93

See it, believe it

As an ISO or MLS, you devote time and effort to setting goals, making lists and keeping upbeat through the frustrations and triumphs of a typical workday. But have you ever truly *visualized* what you want? When was the last time you pictured the future you passionately desire and literally *saw* the success you crave?



Take business to new places with VeriFone payment solutions.

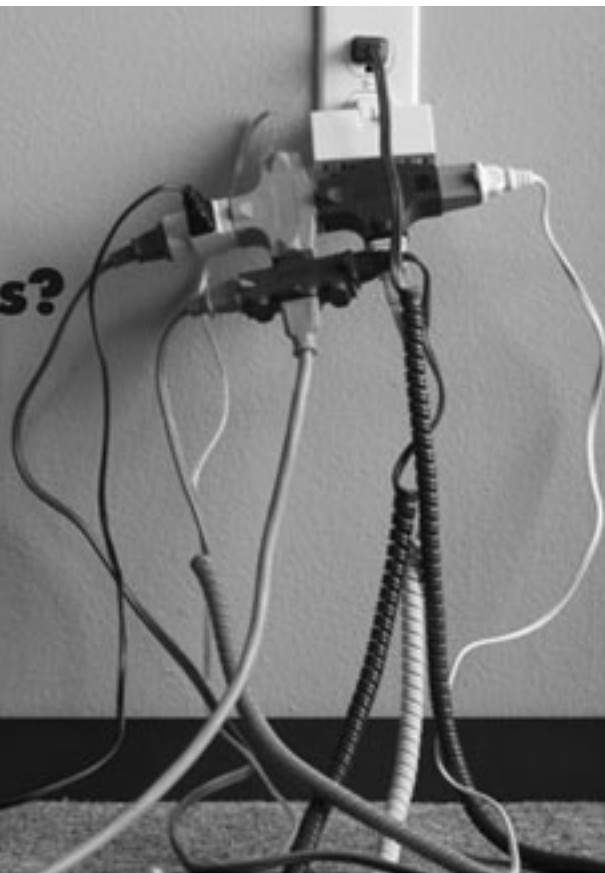
Wireless | Countertop | PIN pad

To learn more visit www.verifone.com/eta

Visit VeriFone at ETA 2009 in booth #219.



**Why get tangled up
in a mess of plug-ins?**



**There is no substitute
for the real thing.**

No costly, outdated plug-ins.

Why take a chance selling a "plug-in"? Innovative Merchant Solutions, an Intuit Company, presents the only "real" solution that seamlessly integrates QuickBooks accounting software and payment processing. Our complete integration with QuickBooks means your clients will find working with us easy, fast and painless.

A comprehensive partnership program.

We will develop a partnership program tailored for your business. Partner with Intuit and IMS and see your profits grow.

Authentic benefits.

The credibility of working with Intuit speaks volumes to clients, banks, accountants and associations. As we said, there is no substitute for the *real thing*.



Attract and retain more clients, call 800-383-8306 or visit www.innovativemerchant.com

IndustryUpdate

Proudly sponsored by



NEWS

Small business future is now

In the latest findings from the **Intuit Inc.** *Future of Small Business Report*, written by **Emergent Research** and **The Institute for the Future**, innovation will be vital to small-business success over the next decade as merchants seek to identify new opportunities, fine-tune their market positioning and provide more value to their customers.

Small businesses have a number of advantages over large corporations that enable them to readily spot opportunities, quickly react to changing economic and cultural conditions, and remain competitive, making it easier and cheaper to try out new business models and ideas. "Innovation isn't restricted to science labs and corporations," said Roy Rosin, Vice President of Innovation at Intuit. "Small businesses instinctively use innovation to create new products and services, efficiently manage their business or find and acquire customers. These innovations are the keys to their future."

Patent lawsuit keeping Kount

Kount Inc., an e-commerce fraud solutions provider, filed a patent infringement lawsuit against fraud management firm **iovation Inc.** The suit accuses iovation of infringing Kount's online machine data collection and archiving processes, which describe a method for identifying and physically locating customer computers involved in online transactions. The action seeks injunctive relief in addition to unspecified damages from iovation for infringing on Kount's device-fingerprinting and proxy-piercing fraud technologies. Proxy-piercing

technology determines the accurate "geolocation" of computers being used to initiate online transactions, providing methods for determining the true physical location of said computers even if anonymous proxies are being used.

Noncash P2P tops 1 trillion

Financial services consultancy **TowerGroup** reported that noncash, person-to-person (P2P) payments in the United States totaled approximately \$1.1 trillion in 2008. The research also found that checks, though in decline, remain the most significant payment method, accounting for over \$1 trillion of that volume.

Noncash payments are defined as consumer-initiated transfers of funds to other consumers using channels and payment methods offered by the Internet and mobile devices. Consumers continue to use checks, and banks spend nearly \$255 million annually processing checks. "Banks are losing money hand over fist as they absorb the processing costs associated with every check transaction," said Jennifer Roth, Research Director, Global Payment Services, TowerGroup. "The advent of the Internet and mobile devices is driving financial institutions to innovate and adopt new, more cost-effective and convenient means for their customers to transfer and process payments."

ANNOUNCEMENTS

Determine RDC-associated risk

To help banks reduce payment risks associated with remote deposit capture (RDC), **AQ2 Technologies LLC** introduced its new risk mitigation solution RiskXP.

- **The Independent Distributors Cooperative USA** reported that smart-phone shipments for 2008 were up 75.7 percent over the previous year, accounting for 12 percent of all U.S. cell phone sales. IDC projects smart-phone sales to increase approximately 8.9 percent in 2009.
- **The U.S. Census Bureau** reported U.S. retail and food services sales for February 2009 were \$346.8 billion, a decrease of 8.6 percent from February 2008. Total sales for December 2008 through February 2009 were 9.4 percent less than the same period the preceding year.
- Personal savings as a percentage of disposable income was 5 percent in January 2009, up from 3.9 percent in December 2008, according to **The U.S. Commerce Department**. Consumer spending accounts for approximately 70 percent of the gross domestic product, the standard measure of economic activity.
- According to **Retail Horizons: Benchmarks for 2008, Forecasts for 2009**, one-third of retailers participating in a recent survey indicated more than 40 percent of their company's merchandise will be private-label within the next 18 months.

BOTTOM
LINES

HEADLINES
FROM THE
RETAIL
WORLD

THANK YOU. PLEASE REAR AGAIN!
TRANS ID: 460445 EXP: 120400

EXPECT MORE
and **SPEND**
LESS with your
POS Equipment
Distributor and
Deployment
Provider!



- POS Equipment and Supplies
- Deployment Services
 - Downloads
 - Injection
 - Repair
- Rentals/Lease Programs
- Deployment Management System
- Dedicated Sales Representatives
- Distribution Centers in Sacramento, CA and Louisville, KY
- Next-Day Delivery for orders placed before 7:00pm ET (M-F)
- Customer Service Available from 8:00am to 8:00pm ET (M-F)



CALL or E-MAIL for more information: 1.866.276.7289 email: sales@posportal.com
Visit us at www.posportal.com and sign-up for e-mail specials!

Lower Prices. More Inventory. Exceptional Service. POS Portal.

Doin' it right

POS equipment continues to get smaller, cheaper and faster. In March 2009, Montreal-based payment hardware and software provider, HomeATM ePayment Solutions, rolled out Safe-T-PIN, the first Internet POS PIN entry device (PED) to achieve Payment Card Industry (PCI) Data Security Standard (DSS) PED 2.0 certification.

"What Safe-T-PIN is all about is very simple," said Mitchell Cobrin, Chief Operating Officer of HomeATM. "All we've done is to replicate a POS device within PCI standards for home use.

"Our goal is to have our product with every small e-merchant and in every household of online consumers, and we're talking a couple of hundred million people."

Safe-T-PIN is a ready-to-use, pocket-sized universal serial bus (USB) "plug and play" device that requires no software upgrades, works with any operating system or Web browser, eliminates the need for keying in card numbers because the card is swiped, and works with any bank, processor or currency. It is also Europay, Visa Inc. and MasterCard Worldwide compliant to accommodate smart cards, mag stripes or chip and PIN technology.

Transactions for the masses

"Safe-T-PIN gives everyone – merchants and consumers alike – the ability to do a transaction that is more secure than any they could do in a card-not-present environment, including debit and credit card transactions and P2P [person-to-person] money transfers in real time," Cobrin said.

"Consumers swipe their cards, enter their password for a PIN debit, and it goes through the EFT [Electronic Funds Transfers] network in the same amount of time as a brick-and-mortar transaction – and it's fully encrypted. We're not inventing a system because it's really the mirror image of the POS EFT experience. All we're doing is making it accessible to home-based, online merchants and consumers."

According to many payments industry experts, the biggest problem with e-commerce is the lack of consumer confidence in the ability to make purchases or send money online securely. They cannot see e-commerce merchants face to face and hesitate to fully trust them.

To address consumer fears about identity theft, lack of brand recognition, malware and keystroke monitoring, HomeATM has a newsletter and blog that offer viable solutions to these common concerns. "Safe-T-PIN really speaks to the heart of this matter because it makes all of that totally impregnable," Cobrin said.

Disposable POS

Additionally, HomeATM has made Safe-T-PIN cost effective for the smaller and mid-sized e-commerce merchants, as well as for those merchants with employees who take electronic payments off site.

"Safe-T-PIN's price almost pegs this unit as a disposable POS device, so if it's stolen, if it's discarded or disappears, you haven't lost the hundreds of dollars it would cost to replace it," Cobrin said. "We remove the notion of \$30 a month leases on sys-


tems for merchants struggling in today's economy."

Partnership power

HomeATM has a minimal direct sales force; the company's preference is to support the ISO reseller channel and stay in the background. "We really respect and appreciate the role that the ISO can play," Cobrin said. "They're the frontline people who have the expertise in the industry, so we're here to support any particular initiatives that they might be working on to assist them in marketing this product."

Cobrin noted that in the past year same-store sales have steadily declined, and e-commerce is eroding business at brick-and-mortar locations, which has created a tremendous opportunity for ISOs and merchant level salespeople to put POS devices in the hands of merchants who would not otherwise be able to contemplate having merchant processing accounts.

"Tomorrow's e-retail and P2P remittance commerce is going to happen with or without those merchants who choose not to participate," Cobrin said. "And we're not trying to cannibalize brick-and-mortar as much as we want to give all merchants, regardless of size, the opportunity to change a fairly antiquated type of thinking and not be a dinosaur.

"There are so many different approaches because a POS of this nature has never existed, so I think new markets are just inherently going to be developed in ways that, perhaps, our team has not yet even contemplated." 

"RiskXP is a unique solution that arms banks and payment transaction aggregators with comprehensive tools that address item-, deposit- and relationship-related payment risk associated with RDC," said Eston Fain, Product Director of RiskXP at AQ2. "This solution enables banks and processors to measure and determine the risk they accept from depositors regardless of who sends the deposit."

Pay it store-and-forward

Payment gateway and software development firm eProcessing Network LLC certified the MagTek Inc. m20 Store-and-Forward solution within ePN's online terminal. Store-and-Forward sends data to an inter-

mediate station that verifies the integrity of the message before forwarding it. It is also used in remote networks with high mobility and intermittent connectivity; networks that have long transmission delays; or when direct, end-to-end connections are unavailable.

Galileo reaches for the data

Salt Lake City-based Galileo Processing Inc. introduced Galileo Analytics, a solution designed to give its clients independent access to data rich, real-time information and help them improve their business and marketing objectives. According to Galileo, traditional processor reporting is static. To help financial institutions maxi-

IBC IBC IBC IBC IBC IBC IBC IBC IBC IBC IBC

IBC INTERNATIONAL
BANCARD CORPORATION

**APPOINTMENTS
ACTIVATION BONUSES
+ FREE EQUIPMENT
= SUCCESS**



INTERNATIONAL BANCARD CORPORATION
YOUR FINANCIAL TRANSACTION SERVICE PROVIDER

- Daily Qualified Appointments
- Up front Activation Bonuses Paid Weekly
- Prospecting & Deal Closing Support
- Free Equipment
- Track Your Deals & Performance in Real Time
- Get Real Time Alerts on All Customer Activity

Call or email Jeff Dworack at 1-800-827-4880 or
jdworack@intlbancard.com and partner with the best!

1-800-827-4880
www.intlbancard.com

IBC IBC IBC IBC IBC IBC IBC IBC IBC IBC IBC

Your customers. Our network.

SparkBase allows its clients to have direct access to the most robust private label stored-value network in the industry. We provide the tools you need to maintain a direct relationship with your customers. All without a middleman.



877.797.7275 | sparkbase.com

mize performance, Galileo Analytics delivers information to its clients regarding all aspects of their portfolios such as performance, cardholder behavior, profitability, results of marketing campaigns and even fraud statistics.

GBC goes for Hypercom

POS terminal maker **Hypercom Corp.** said Budapest, Hungary-based payment processor **GBC**, a division of **SIA-SSB Group**, selected Hypercom's Optimum T4200 terminals to expand GBC's payment network in Hungary and other Central and Eastern European countries, including Romania, Croatia, Slovenia, Slovakia and the Czech Republic.

Billing portal makeover

Internet Payment Exchange Inc., an electronic billing and payment solutions company, released the second generation of eCareview Healthcare Billing Portal. IPayX's portal is a Health Insurance Portability and Accountability Act (HIPAA)-compliant technology that provides real-time billing information and payment functionality, as well as the ability to allocate a single payment across multiple bills.

Payment gateway wide open

E-commerce payment provider **Merchant e-Solutions Inc.** integrated **Bill Me Later Inc.**'s online payment solution into its payment gateway, processing platform and Web-based reporting system. Additionally, Bill Me Later is now offered as a payment option for qualified taxpayers through **Link2Gov Corp.**, a Metavante company.

RP goes express

Check processor **RP Solutions Inc.** certified **Digital Check Corp.**'s CheXpress CX30 check scanner for use with the company's RDC software. "This device is very consumer-friendly, requires little maintenance and is cost effective," said John Gainer, Executive Vice President, Digital Check.

"Being able to offer RP's attractive RDC solution along with the CX30 will increase penetration in the small business market segment."

Online store is on TASQ

POS equipment and services provider **TASQ Technology Inc.**, a subsidiary of **First Data Corp.**, is offering additional revenue for ISOs, merchant level salespeople (MLSs) and financial institutions through its Merchant-Direct Online Store, which allows for the creation of customized, private-label views with logos, taglines and pricing appropriate for distinct merchant groups. Revenue shares are earned for each purchase made through the online store.



Win a trip to Vegas to see the
World Junior Welterweight Match.

WE'RE HERE TO PLAY ARE YOU?

What if you had a partner dedicated to ensuring your success - one that could infuse capital into your sales efforts, offer telesales and recruitment assistance, build lead generation sources, and provide dedicated, personal service? You can with TransFirst, a leading provider of transaction processing technologies and services currently serving more than 175,000 merchants nationwide and hundreds of ISO/ISAs. Our unique suite of products and services is designed to support today's sales agent, offering the tools to compete (and win) in this competitive market. If you're ready to play, join team TransFirst. We're ready to take the field.

Enter to win an all-expense paid trip to Vegas plus 2 tickets for the World Junior Welterweight Match: Manny Pacquiao vs. Ricky Hatton at the MGM Grand, May 2nd! Register to win at the 2009 ETA show, booth 331, or online at www.transfirstsales.com

866.969.3350 | salesrecruiting@transfirst.com | www.transfirstsales.com

Trust. Innovation. Collaboration. – TransFirst.

 **TRANSFIRST®**
First In Secure Electronic Payments

IndustryUpdate

TMG finds fraud where it starts

To help credit unions better manage credit and debit card fraud, payment solutions provider **The Members Group** rolled out its Fraud & Risk Analysis program. With this program, TMG experts can analyze 12 months of a credit union's fraud cases to pinpoint a fraud's origin. After completing the analysis, TMG recommends and helps implement new strategies to minimize future risk.

Prevention beats detection

Fraud and identity theft solutions provider **ThreatMatrix Inc.** upgraded its software-as-a-service fraud and abuse prevention technology. ThreatMatrix's Fraud Prevention 2.0 includes more than two dozen feature enhancements, all of which are designed to help merchants and financial institutions stop cyber criminals before the first transaction is processed.

PARTNERSHIPS

Bill Me Later, Rail Europe lay down tracks

Rail Europe Inc., a provider of European rail travel products in North America, formed an alliance with

Bill Me Later Inc. enabling U.S. customers to purchase products online without credit cards or user account numbers. Rail Europe offers point-to-point tickets, sightseeing passes, hotel and other related rail travel services for more than 35 railroad operators throughout the continent.

Diners Club's European engagement

Diners Club International Ltd., a business unit of Discover Financial Services, and **Six Multipay**, a Switzerland-based payment services company, signed a long-term, multicountry merchant acquiring agreement to further European acceptance of Diners Club and Discover Network cards. Six Multipay will provide merchants electronic payment services for both cards in Switzerland, the U.K., France, Germany, Ireland, Belgium, the Netherlands and Luxembourg.

Gone anti-phishing

Payment solutions provider **COCC** and fraud and risk management company **MarkMonitor Inc.** are working together to help mutual clients protect their brands in the face of increasing Internet fraud. COCC will market MarkMonitor's anti-phishing applications under its Sentry Services suite of risk management solutions.

**AN UNBEATABLE
SOLUTION AT ONE
UNBELIEVABLE PRICE**

**\$249 DIAL UP/IP
BACK-LIT**
\$279 WITH 3 YEAR NO FAULT REPLACEMENT WARRANTY

The most sophisticated all-in-one solution on the market today is here. With its numerous ports, you can add further value to the customer relationship by offering additional premium services like: Debit, Check, Gift/Loyalty, Contactless, and more, SIMULTANEOUSLY! With its remote updating capability, you install it once, and you never have to touch it again. Add in the fact that it's a dual communication terminal, both Dial-Up and IP, and has a back-lit keypad; this is one unbeatable terminal at one unbelievable price.

PUT MARGIN BACK IN YOUR BUSINESS

This Agent Protected Solution can help quell the margin erosion and put money in your pocket.

Call Fred Couch Today
800.726.2117
ext. 1156

BIN\$mart™ COST MANAGER



THE AGENT'S
SECRET WEAPON!

BIN\$mart is a patent-pending technology that gives you a powerful sales advantage by offering your merchants real savings without lowering rates. BIN\$mart is built into a terminal to evaluate every transaction to find savings on processing costs. Add the BIN\$mart weapon to your arsenal and build your portfolio faster!

Evaluates every card transaction with patent-pending technology so that merchants can lower processing costs - not just the retail giants

Reduces interchange costs - saving real money - every day

Verifies completion of daily close-out procedure to avoid downgrades

Prompts for additional information for corporate cards at swipe to avoid costly downgrades

Prompts automatically for PIN or signature, whichever is estimated to be lowest cost

MerchantWarehouse

CAPITAL BANKCARD ISO NETWORK

There has never been a better time to be a Merchant Warehouse Agent. Learn more about our Agent Program and great benefits! Call 800-743-8047 or visit www.merchantwarehouse.com/iso

VISIT US AT ETA BOOTH #240-242



Industry Update

TNB carries credit union platforms

Richland, Wash.-based **Gesa Credit Union** is turning to **TNB Card Services** to help launch Gesa's new business member program and manage the credit union's \$15 million retail card portfolio. More than 8,600 card accounts will be converted to TNB's processing platform beginning April 1, 2009. Additionally, **Tarrant County Credit Union of Texas** is converting its PIN and signature debit card and ATM terminal driving under an expansion agreement with TNB. TNB is now TCCU's sole card processor.

NetSPI gets VeriFone up to speed

Risk, compliance and security consulting firm **NetSPI Inc.** and payment services company **VeriFone** formed an alliance to ensure that VeriFone payment applications comply with the Payment Application (PA) Data Security Standard (DSS).

¡Hola! multicurrency options

International card-not-present payment solutions company **Payvision** and e-commerce payment provider **Plug'n Pay Technologies Inc** teamed up to offer merchants in Spanish-speaking countries worldwide the ability to add Payvision's comprehensive suite of multicurrency payment options to their networks.

Alliance introduces cheaper, simpler assessment

Precidia Technologies Inc., an Internet Protocol payment and networking products firm, and **403 Labs LLC**, a PA Qualified Security Assessor (QSA) for the Payment Card Industry (PCI) DSS, partnered to introduce a cheaper and simpler PA DSS assessment program for certain POS application developers using Precidia's TransNet payment engine software on the POSLynx220 payment router.

The focus of this new program is to benefit application developers whose software accepts cardholder data before passing it on to the POSLynx220, therefore requiring PA DSS validation. Since January 2009, transaction processors are prevented from processing transactions from any POS application that is not PA DSS validated.

Partnership launches conversion suite

RDM Corp., an Ontario, Canada-based payment solutions provider, signed an agreement with payment services company **TriSource Solutions LLC** to resell RDM's electronic check conversion software and hardware products to its ISOs and agent banks. RDM's software is "bank agnostic," which means merchants won't need to change their existing banking relationships to use it.

Are your Sales flat-lined?

Let Impact MD revive it!

Online real-time Health Insurance Eligibility!

- **No Software to install**
- **No Integration issues**
- **User-friendly format**
- **Agent program**
- **Branded ISO programs**

Call today to set-up a live demo...

(877) 251-0778 Extension 1546

Open doors to the medical market...






Do Business Your Way



ETA

Villa Happy Hour

12 Noon - 6pm 

Wednesday, April 22

Thursday, April 23

Stop By Our Villa To Find Out More

At MSI, We Deliver Customized Programs That Fit Your Needs.

**Enjoy The Villa Rotui Cabana at
Mandalay Bay Pool with MSI!**

Call 1-800-522-3661 and ask for Joyce Seuhbetian

MSI[®] *MERCHANT SERVICES, INC.*
www.1800bankcard.com

Member Bank: First National Bank Of Omaha, Member FDIC; 150 years of secure transactions.

IndustryUpdate

Envision seamless scanning

Payment software applications company **S1Corp.** teamed up with value-added hardware solutions firm **Epson America Inc.** to join Epson's Envisionism Partner Program. Two S1 divisions, S1 Enterprise and FSB Solutions, will resell Epson's line of receipt and validation printers, check scanners and other image capture devices.

"We are thrilled to welcome S1 as an Envision partner," said Bud Weist, Vice President of Sales and Marketing for Epson's System Device Group. "This new partnership brings end-to-end seamless integration and support for virtually every printing and scanning requirement."

Web.com merchants lead Chase

Small business online marketing solutions firm **Web.com Group Inc.** signed on with **Chase Paymentech Solutions LLC** to offer processing solutions to all Web.com small and mid-sized merchants. Web.com customers will have access to multiple secure payment processing services, including all major credit, debit and customizable gift cards. Web.com merchants are also eligible for a free rate analysis to understand the total cost of accepting electronic payments.

ACQUISITIONS

Canada gets a \$13 million Tangarine

Payment processor **Tangarine Payment Solutions Corp.** successfully completed its acquisition by **4491157 Canada Inc.**, an affiliate of Pivotal Payments Corp. Pursuant to the arrangement, Canada Inc. acquired all of the outstanding common and preferred shares of Tangarine for an aggregate price of \$13,177,941. The name of the newly amalgamated company will be Tangarine Payment Solutions Corp.

APPOINTMENTS

Breeds now a VP

Fremont, Calif.-based payment processor U.S. Merchant Systems LLC promoted **Gary Breeds** to Vice President of Sales. Breeds' initial focus is to expand USMS' card offerings and services to its ISO and MLS sales channels.

First American welcomes directors

Payment processor First American Payment Systems LP added two new department heads. **Mandy Jordan**, the company's new Director of Marketing, will focus on continued growth of First American's brand within the industry. **Rhoda Stewart**, Director of Sales, will lead the entire strategic partner channel, which includes ISOs, financial institutions, associations, franchises and direct corporate sales.

Sparkbase expands sales team

Sparkbase, a customized stored-value programs processor, expanded its sales team. **Bennett Kaufman** is the company's new Sales Director and **Alan Semel** was appointed its National Sales Manager. Kaufman will focus on driving new business growth strategies. Semel brings 20 years of payments industry expertise to Sparkbase and will oversee all of the company's new business efforts.

MCCS gets new skipper

Merchants' Choice Card Services, also known as DeltaCard Services, appointed **Stan Paur** as its new President and Chief Executive Officer. Paur also serves as an advisor to the Payments Card Center of the Philadelphia Reserve Bank, Woodforest National Bank and the Independent Bankers Association of Texas.

Sethi joins TSY

Payment services provider TSY Acquiring Solutions appointed 25-year payment veteran **Amit Sethi** as its new Managing Director of TSY India and South Asia. Sethi's responsibilities include all business development and outsourcing for the region. ☐

Sonoma
Technical Support Services

Help Desk Services
A professional solution at a competitive price!
Specializing in help desk support for the POS market - including:

- Telephone training for new merchant installations
- Help desk support for POS hardware & software
- 24 X 7, Afters Hours and Overflow Support
- Conversion Management
- On-line access to comprehensive reporting

Staffed by career associates intent on resolving your inquiries ... quickly, efficiently and completely.

Sonoma Technical Support Services
sales@sonomaservices.com
www.sonomaservices.com
866-898-3123

All in one



THE NEW ERA OF **POSSIBILITIES**



UP-7000

With a host of standard and optional features, the UP-7000 is quickly becoming one of the most indispensable tools for business owners nationwide. Engineered with a built-in 3" thermal printer, the UP-7000's versatility and compact design is suitable for any business establishment.

Integrated Printer

3" Thermal Printer
200 mm/sec
Parallel Interface.



Multi-functional Identification Device

Dual Support for
Magnetic and Smart Cards



Wide Range Tilt

Adjustable Viewing Screen
(Tilts up to 75 degrees)



Customer Display

VFD Type,
20 Columns and 2 Lines.
(optional)



2nd LCD Display

12" TFT LCD Display
800x600 Resolution
(optional)



4ch DVR

Built-in DVR Board
(optional)



- Please visit us at the ETA (#829)
for a chance to win an iPod.



UP SOLUTION

a division of

UNITED Merchant Services
Payment Processing Company

255 Rt. 17 South
Hackensack, NJ 07601

www.upsolution.com
support@upsolution.com

800.260.3388
Resellers Wanted

Harness The Power Of Thunder

Break-Through Technology by Ingenico



Make Some Noise. Be Different. Stand Out From The Rest.

Ingenico's unique dual Thunder/Booster Chip technology and its innovative engineering takes transaction security, speed and dependability to a new stratosphere. With awesome processing power, dedicated security chip and optimized, robust design, Ingenico's new Telium 2 product line blows away the competition. See what all the noise is about. Call Ingenico today to learn more about how you can harness the power of thunder in your business today.

More Secure

Ingenico puts security first in its Telium 2 design, which utilizes deeply embedded security within the chip design, virtually impossible to uncover.

Dedicated "Booster" chip manages security sensitive areas of terminal including software authentication, tamper detection circuits display, keyboard, MSR, Contactless and Smart Card readers.

Booster chip features a PCI PED2 Approved, EMV compliant, 32-bit RISC crypto-processor for turbo boosted speed (50 million instructions per second) and superior fire walled security protection.

More Powerful

With thunderous power, the Telium 2 line of Ingenico transaction terminals operate at lightening speeds of up to 500 million instructions per second. This translates into the fastest application processing speeds in our industry.

With faster EMV transactions, faster check-outs, and faster service, your biggest bottle neck will be filling the orders.

With this much power, multi-application issues dissolve, and opportunities arise. Put the power of Thunder to work for you and deafen the competition.

More Opportunities

Having the fastest, most versatile and secure terminal available today is only relevant if you can make use of all these features. That's why Ingenico has created its Transaction and Business Solutions product offerings.

We can provide you with the power to drive your business through our terminals. With estate management, transaction management, connectivity management and rapid development tools such as Incendo Online, Ingenico can improve the way you transact business in today's stormy business environment.

More Reliable

Telium 2 products have been performance engineered to reduce components by 50 percent, resulting in awesome reliability and improved ruggedness.

One touch and you'll feel the inherent quality, the internal strength that dwells within every Telium 2 product we make.

- Built-in:
- 18 lps thermal printer
 - Smart card reader
 - Outstanding connectivity
 - Optional Contactless reader



www.ingenico-us.com

Ingenico
6195 Shiloh Road, Suite D
Alpharetta, GA 30005
1-800-252-1140

Be the toast of hosts

By Scott Henry

VeriFone

We all know data security is as big a deal for small merchants as it is for large retailers. It is increasingly apparent that there is significant exposure to threats across the spectrum – from the vast numbers of small, independent retailers classified by Visa Inc. as Level 4 all the way up to giant retail chains at Level 1.

Many of us have thought there has to be a better way to deal with this security threat. And there is. It's called end-to-end encryption, and it could provide you, as an ISO or merchant level salesperson, a new revenue stream.

While the sophisticated criminal assaults on larger retailers and processors may dominate the headlines, it is the larger number of Level 4 retailers that represent easy pickings for fraudsters.

Most criminals aren't the sharpest blades in the drawer, nor the most industrious. Unlike the sophisticated hackers targeting retail chains, most of these small-time thieves are drawn to the easy buck – places where they can grab the biggest bounty quickly with the lowest risk.

That's why the vast number of smaller merchants represents such a tempting target: They generally have little if any security beyond what is already built into their payment terminals.

Processors and the card brands realize they can't afford to leave the Level 4 merchants out of the security picture.

There's just too much reputational damage caused from compromised cards, even if the actual monetary damages are relatively small.

Once large and mid-sized retailers adopt end-to-end encryption, which we believe is a given, the card brands and processors will want to include the smaller folks. Visa has already made it clear to acquirers that they are expected to ensure compliance among Level 4 merchants.

PCI DSS limitations

Most everyone now recognizes

that Payment Card Industry (PCI) Data Security Standard (DSS) compliance represents just a snapshot in time. Once an auditor has signed off on a system, it could very well be out of compliance anytime between that moment and the next evaluation.

Increasingly, many on the retail side and the processing side realize that end-to-end encryption is the only truly secure method for card payment transactions.

Larger merchants will adopt the technology themselves or require their processors to implement it; mid-sized merchants want the protection but will wait for their processors to offer the service at their hosts. That, as usual, leaves out the little guys.

Processors, willingly or not, will roll out encryption services. If you only deal with one processor, that may be fine for you and your merchants; but if you deal with multiple processors, or just want the flexibility to swap processors at some future point, you'll need to be able to offer this capability independently. A hosted service provides the key to your future.

Much of the computerized world is marching, if not running, to take advantage of hosted services (also often referred to as managed services).

As devices increasingly are connected to the Internet, it becomes easier to take advantage of centralized services that are able to leverage the resources at those end points.

Merchant levels at a glance

Following are the four merchant levels, as defined by the PCI DSS:

Level 1: All merchants, regardless of acceptance channel, whose Visa Inc. and MasterCard Worldwide transactions total 6 million and up per year, as well as any merchant who has experienced a data breach.

Level 2: All merchants, regardless of acceptance channel, whose Visa and MasterCard transaction total is from 1 million to 6 million per year.

Level 3: All merchants whose Visa and MasterCard e-commerce transaction total is from 20,000 to 1 million per year.

Level 4: All merchants who do not fall under the other levels, including merchants processing fewer than 20,000 Visa or MasterCard e-commerce transactions per year, as well as all other merchants processing up to 1 million Visa or MasterCard transactions per year.

In this manner, it is far more cost-effective to deploy and manage advanced services such as end-to-end encryption. In fact, a hosted environment makes it possible to deliver right to the POS a wide range of application services – including value-added applications (loyalty, gift card and prepaid, for example) and cutting-edge solutions – without having to invest large sums of capital.

Transform the POS

Hosted services, which are managed from a Web-based gateway, can transform your POS offerings into new points of profit and dramatically enhance the value you provide to merchants across your region.

The hosted payment service model has many well-known advantages: It provides mer-

chants a quick and easy setup process, fast transaction speeds, integration with existing POS terminals and minimal to zero upfront costs.

In addition to addressing the security issue, hosted services allow small and medium-sized merchants to grow their businesses by taking advantage of functions that were formerly available only to larger companies.

Of particular interest should be the ability to offer terminal gateway services such as:

- Consolidated reporting and transactions
- Automated updates to gateway-supported terminals
- Integration with customer relationship management services
- Flexibility to quickly take advantage of new processing features and options

In the restaurant market, for example, hosted services enable small restaurants to use separate pay-at-the-table systems utilizing either Wi-Fi or general packet radio service connectivity, as well as obtain sophisticated reporting and consolidation functions previously offered only through a more complex restaurant management POS system.

Terminal management, virtually

The ability to manage end-point terminals from a central location is what will enable you to offer small, independent merchants access to end-to-end encryption.

As card fraud issues continue to generate headlines, security will increasingly be a hot commodity.

You'll be able to offer access to the most sophisticated, most easily managed security for a relatively modest cost.

This type of solution is an ideal way to offer new revenue-generating capabilities – such as a security

compliance fee – to merchants on a pay-per-use basis, without requiring large upfront investments in network infrastructure and application development. That will enable you to penetrate new markets, improve margins and earn new sources of revenue from merchant accounts.

In addition, the ability to expand your portfolio with services that can be offered for incremental monthly fees will help you establish strong relationships with merchants – relationships that help improve merchant retention. ☐

Scott Henry is Director, North America Product Marketing, for VeriFone. He can be contacted at scott_henry@verifone.com.

DISCOVER
THE ALPHA EDGE TODAY!

Zero Hold Times • Zero Statement Fees • Zero Transaction Fees

Call NOW! 1-866-253-2227

AlphaCard
S e r v i c e s[™]

www.thealphaedge.com

View

Sluggish economy spurs faster payments

By Nasreen Quibria

Association for Financial Professionals

As the financial malady permeates the economy, corporate businesses are seeking ways to deal with the changing times. One strategy is to get back to basics. Finance executives are taking a closer look at core activities, namely leveraging the payment process – advancing receivables while moving to lean payables.

You, as ISOs and merchant level salespeople, may be able to strengthen your relationships with merchants by exploring how some of the solutions discussed in this article may enhance their businesses and integrate with the services you provide.

Advancing receivables

A large source of pain in payments is reconciling incoming payments with open invoices. Companies often work with a patchwork of information technology (IT) systems with lackluster capabilities and manual, error-ridden procedures that bog down the accounts receivable process. Such inefficient processes can delay accurate customer account balance data and inhibit the resolution of underlying payment discrepancies.

Liquidity constraints, however, have focused corporate attention on working capital efficiencies, prompting businesses to re-evaluate their payment processes. Companies are introducing technology to accelerate incoming cash flow.

One solution is the integration of the accounts receivables process to facilitate automatic matching of invoices and enable consistent exception processing of mixed payment methods. Implementing such technologies can further automate expensive and slow workflow models.

Another technology companies are turning to in accounts receivables is remote deposit capture (RDC). With most business-to-business payments continuing to be made by check, image exchange is gaining popularity. RDC, which allows business customers to transmit scanned checks for deposit to their bank accounts, can streamline check processing, reduce operational costs, enable scalability and, more importantly, expedite payments.

An increasing number of companies are also working with corporate customers to move accounts online. Electronic payment methods like direct debit (via automated clearing house) move funds more quickly from customers to corporate business bank accounts with lower cost.

Moving to lean payables

Faced with heightened bill pressures, companies are closely scrutinizing the accounts payable process as well. Eliminating paper in this process can cut costs, increase productivity and reduce errors. However, in the face of a stagnant economy, set infrastructure costs and rising expenses, additional capital expenditure is not practical.

One strategy gaining traction is to focus on core competencies and outsource the payables process entirely. Maintaining paper documents tends to be inefficient and presents liability issues; an outsourced solution eliminates the need for costly software or hardware purchases and frees up existing staff and IT resources.


Some companies are seeking new ways to leverage existing or less expensive technology to stay competitive and improve operating margins. One such approach is e-invoicing. A major cost component of accounts payable is labor – handling paper and exceptions. More companies are encouraging suppliers to move from paper to electronic invoicing, which can improve dispute resolution and customer relationship management.

E-invoicing also offers financial visibility, reduces invoice cycle time, increases on-time payments and enhances cash flow management.

A more holistic approach is to streamline the entire procure-to-pay process. The straight-through processing of business payments allows accounts payable departments to send a single file to the bank or payment processor for least-cost payment routing via ACH, wire, card or check.

As accounts payable processing becomes more streamlined and accelerated, companies can also take advantage of early-pay discounts. Further, accounts payable can be leveraged as a potential revenue source incorporating automated payables and purchase card rebates, while enabling suppliers to enjoy the flexibility of speeding up cash flow through dynamic discounting.

The path forward

The volatile economic conditions combined with a rapidly changing competitive landscape have many firms facing a challenging future. But businesses have opportunities to pursue immediate, high-impact initiatives that will help them survive – and even thrive in the turbulent period ahead. 

Nasreen Quibria is the Director of Payments at the Association for Financial Professionals. She can be reached via e-mail at nquibria@afponline.org or phone at 301-907-2862. To learn about the solutions mentioned in this article and other measures companies are taking to succeed in the current business environment, attend the 2009 AFP Payments Forum – Achieving Economic Gains Through E-Payments. It will be held in New York from April 29 to May 1, 2009 (www.afponline.org/pub/pay/pay.html).



The best way to predict the future, is to create it.

At EVO we have built a strong foundation of proprietary products and services that are second to none in the payment processing industry. Over the years we recognized the value of these tools to our partners and centered our goals on developing an end-to-end infrastructure with the ability to effectively help you run your business. Rather than concentrating on free terminals or fancy sales programs, EVO focuses on long-term prosperity and giving you the foundation you need. EVO provides mid-to-large sized ISOs with the magnitude, resources and support needed while giving you the freedom to manage your business as you see fit.

EVO – trust, integrity, and a true leader.

Partner with EVO...

COMPETITIVE ADVANTAGES:

ONBOARD—The Ultimate Boarding and Tracking System

E-STATEMENTS—Online Merchant Statements

EVO CHARGE—Specialized Computer POS Software

MERCHANT FUNDING—Merchant Advance Program

EVO TRAC—Transaction Detail and Reporting Platform

STRATEGIC ADVANTAGES:

GROWTH CAPITAL

BIN RELATIONSHIPS

OWNERSHIP/PORTABILITY RIGHTS

PROPRIETARY FRONT-END PLATFORM

EXCEPTIONAL DIRECT PRICING



MERCHANT SERVICES

Providing core resources for all your business needs.

www.goevo.com

CALL TODAY TO DISCUSS A GROWTH PLAN AND TO SCHEDULE A VISIT TO OUR CORPORATE HEADQUARTERS.
CALL JIM FINK @ 1.800.CARDSWIPE (1.800.227.3794) ext.7800, and reference code AD0109A.

View

Mobile payments? Not yet

By **Biff Matthews**

CardWare International

Prevalent elsewhere in the world, particularly Europe and Asia, mobile payments have a combined global market value projected to top \$600 billion by 2013. The mobile payment market for goods and services, excluding contactless near field communication transactions and money transfers, is expected to exceed \$300 billion globally by 2013.

In some developing countries, mobile payment devices are even being used for micropayments. None of this is surprising: An estimated 70 percent of the global online population do not have credit cards.

Everywhere but here

Yet, in the United States, mobile payments have failed to gain traction. There are four main reasons for this:

1. The continued ruckus over who owns mobile transactions

2. Lack of agreement regarding funding for hardware upgrades needed at the merchant level
3. Generational demographics, specifically the lack of enthusiasm from the baby boom contingent
4. Security concerns, real and imagined, from all sides

Regarding the first factor, consolidation continues across all segments: telecommunications, carriers and gateways, banks and processors, along with myriad other entities between the two end-points.

Each wants to lay claim to owning the transaction. Until all parties are on the same page, the progress of mobile payments will remain stunted.

Regarding hardware, if there were ever a time for the merchant community to draw a line in the sand, it is now. Merchants should rightly ask all parties (except consumers), "If you want my business to accept your mobile payments, what are you willing to pay me to make that possible?"

At brick-and-mortar businesses, readers are needed to accept and transmit mobile payments. Merchants already have cash registers with printers, POS devices with printers for mag stripe card transactions and check imagers. And now they must integrate readers for mobile payments? Who will pay for that? What is the payback for that investment?

I have long been a vocal advocate for policies that help, rather than hinder, the merchants on whom we all depend for our livelihoods.

It is tragic and unfair that so many costs are imposed on them arbitrarily (and you thought taxation without representation was a relic of the 1770s).

Pilot programs by leading providers of mobile payments have thus far failed to result in a major rollout. The common wisdom is that each party has been unwilling to give up what the other wants.

In regard to demographics, many adults are at a loss to fully understand (much less accept) the impact that cell phone and mobile computing technology has had on the pre-adult community.

For the not-yet-adult population, personal interactions – and transactions of all kinds – are primarily virtual versus face-to-face. They are comfortable, if not obsessive, about texting. And they are the primary target for mobile payments.

Downturn or not, this group purchased a significant portion of the 1.3 billion mobile units shipped worldwide in 2008, according to ABI Research. The race to profit from applications through the sale of virtual goods, games, subscriptions and so forth is clearly in full swing.

**The Most Affordable
Wireless POS Solution
Available On The Market Today!**

 Order our handheld, H50 Wireless POS Terminals with NO upfront costs.
Add our Exclusive Terminal Replacement Warranty for only \$4.99 a month!



- + Includes H50 (PCI) Certified Wireless POS Terminal and Pin-pad
- + Includes GPRS Wireless Terminal Data Plan and No Activation Fee
- + Compatible with most payment processors with 24/7 support
- + Includes (PCI) On-line Transaction Reporting and storage services
- + Includes merchant access-fee to the RedFin Virtual Terminal
- + Includes (100) H50 Transactions a month (\$0.05 cents a sale over)
- + Includes ground shipping, wall charger and terminal programming

As low as
\$24.99 a month
and No money
down (OAC)

Don't wait or hesitate to call us today to learn more about this offer and how to join the RedFin Network reseller program

Call (866) 685-4326 today or email us at freeH50@virtualpaymentsolutions.com



BLUE BAMBOO

POWERED BY



**RedFin
NETWORK**

Ironically, younger people use mobile devices extensively, but they don't attribute much intrinsic value to them.

They certainly do not regard them as "wallets," even though mobile devices are functionally similar to wallets, every bit as personal and no less of a headache when they get lost.

Tiny footprint, gargantuan risk

For all of their short lives, young people have known only devices that *also* have short lives. Device marketers encourage this by continuously touting trade-ins and upgrades.


The message is that mobile devices are, by nature, disposable. If one is lost or stolen, it's no big deal – another one will replace it.

Mobile payment devices pose a risk in the hands of those who subscribe to this belief: The possibilities for fraud and malice are endless. On the flip side, responsible adults resist mobile payment, citing security issues.

The security of personal and financial data in the device is a legitimate concern, as is the accessibility of data. Security of financial data in transit between devices and readers during transactions is also a valid concern.

That this is debated in an environment where data breaches and identity theft appear to be rampant only fuels the angst (255,647,975 individual records compromised since January 2005, according to Privacy Rights Clearinghouse, and 9 million American identity theft victims per year, according to the Federal Trade Commission).

Lose your wallet, and you can cancel your cards and driver's license. But lose your mobile device, and it may be hard to cancel *anything*, since all the information required to act is likely inside the device. A mobile payment device provides instantaneous, anonymous access to all your financial accounts.

Solve these problems, and mobile payments may grow to be as commonplace as ATMs. But don't bet the farm. With percentage-based card transaction fees continuing to move skyward, merchants may yet stage a Boston-style rebellion, à la 1773. For many of them, cash is beginning to look very attractive, indeed. 

Biff Matthews is President of Thirteen Inc., the parent company of CardWare International, based in Heath, Ohio. He is one of 12 founding members of the Electronic Transactions Association, serving on its board, advisory board and committees. Call him at 740-522-2150, or e-mail him at biff@13-inc.com.



GUARANTEED PAYMENT SECURITY

INTRODUCING THE INDUSTRY'S
FIRST MANAGED PCI SOLUTION

Visit Apriva, booth 123, at ETA to find out how you
can protect your business and your merchants.

APRIVANET 
MANAGED PAYMENT SECURITY

AprivaNET™ is the most comprehensive PCI
compliance service available and it is the
only solution of its kind that guarantees
your payment network is secure.



The AprivaNET
Managed Router

AprivaNET includes:

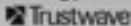


CUSTOM
HARDWARE



PATENT
PENDING
SOFTWARE



PCI
SCANNING
BY




24/7
NETWORK
MONITORING



GUARANTEED
PROTECTION

APRIVA®

SECURITY. CONNECTIVITY. MOBILITY.™

Call 480-421-1200 or click www.apriva.com/aprivanet to learn more.

Visit us at ETA booth 123 for a chance to win an iPod Nano. 

The security guarantee is not intended as a substitute for your own judgment and that of your consultants regarding the specifics of your PCI compliance. You are solely responsible for ensuring the compliance of your organization.

© Copyright 2009 Apriva. All rights reserved.

SellingPrepaid

Editor's note: SellingPrepaid is excerpted from SellingPrepaid E-Magazine, which can be found at SellingPrepaid.com, a Web site providing information and analysis to benefit ISOs and merchant level salespeople in the burgeoning prepaid market.

If you'd like to contribute to SellingPrepaid, please e-mail greensheet@greensheet.com. For more information and archived content, visit www.sellingprepaid.com.



Prepaid in brief

NEWS

Aite Group takes pulse

Aite Group LLC released a report in March 2009 that analyzes key trends impacting the prepaid card space, looks at challenges the payments industry must overcome and identifies the companies deemed most admired by industry insiders. The report is based on 21 interviews with leading U.S. distributors, networks, processors, marketers and issuers.

Aite said 82 percent of respondents feel the current economy will negatively impact private-label, closed-loop cards, but nearly three-quarters of those interviewed feel the recession will increase sales volumes of branded prepaid cards, which will be driven mainly by government cards, consumer incentive cards, and pay-roll and health care cards.

According to the respondents, improving the market for prepaid cards requires greater efforts to educate the public on the benefits of prepaid technology and how technology must be better leveraged to improve the reload process.

Intercash offers unique interplay

Montreal-based payment solutions company **Intercash Europe Ltd.**, a sponsor of the Casino Affiliate Convention from March 30 to 31, 2009, at the **NH Grand Krasnapolsky** Hotel in Amsterdam, used the exposure to show online merchants and affiliate program managers the benefits of its MasterCard Worldwide prepaid solution. According to Intercash, the program allows merchants to issue payments to their affiliates and partners via prepaid cards, which facilitates global payment efficiency and reduces administrative costs.

"In the online industry, many start-up companies are afraid to get involved due to the initial setup costs and lengthy process, despite the short- and long-term benefits," said Patrick Seguev, Chief Executive Officer of Intercash. "We want to help new merchants by waiving all setup costs and eliminating a minimum card order for those who sign up with us at our CAC booth.

"We are also offering free access to our platform and are issuing a limited number of free cards." Online gambling merchants can use Intercash Europe's card services to allow players (customers) instant access to payment funds and to withdraw their winnings directly to their prepaid cards 24 hours a day. "We want to show these companies that there is no reason to continue to depend on electronic funds transfers and checks to pay online customers and affiliate members," Seguev said.

Transaction volumes explode in recession

Mercator Advisory Group, a payments industry consultancy, said the number of underbanked and unbanked individuals in the United States is rapidly growing due to the recession. Mercator estimated in November 2008 that the volume of transactions on general-purpose prepaid cards totaled more than \$4 billion for the year. Additionally, the company forecasts an increase to \$7.2 billion in 2009 and \$10.8 billion in 2010.

ANNOUNCEMENTS

65 store owners can't be wrong

Coinstar E-Payment Services, a subsidiary of electronic payment solutions and money transfer company Coinstar Inc., was named a top prepaid performer in the 2009 Convenience Store Decisions brand preference study. The study polled 65 decision makers from convenience store chains about the sales and product performance of their prepaid service providers.

Survey questions included which prepaid manufacturer offers the most effective sales program, the best quality products and the best supplier relationship. Coinstar shared top honors with PaySpot Inc. and Verizon Inc.

Paybefore honors titans

Steve Streit, CEO and founder of prepaid card distributor **Green Dot Corp.**, was honored by prepaid industry publication *Paybefore* with its Industry Achievement Award, which recognizes "an individual who has con-

tributed most to the success and progress of the prepaid and stored-value card industry during the past year." Additionally, **TransCard LLC** won in the Best Corporate Funded Prepaid Card category for its development of a dual-purpose fuel and pay card for U.S. Xpress Enterprises Inc.

PARTNERSHIPS

PayPass blazes away

Mobile commerce applications provider **Blaze Mobile Inc.** and **MasterCard** launched the Blaze Mobile MasterCard PayPass mobile payment sticker. The sticker can be affixed to any handheld device, enabling it to be used for "Tap and Go" purchases at any of the 141,000 merchant locations that accept PayPass.

Canton FX, Petra unveil m-payments

Foreign exchange specialists **Canton FX** and mobile payments solutions company **Petra Financial** launched the Touchstone mobile application in March 2009. Touchstone reportedly enables travelers to make international payments on their phones anywhere in the world.

Partnership sizzles

Enid, Okla.-based **Central Bank of Enid** is now issuing SizzleMoney card, a mobile prepaid product from **Denarii Payments Inc.**, that allows customers access to money, payment services and payroll distribution through its short message service. SizzleMoney is also the first mobile transaction product to focus on community money sharing, which facilitates payments by transferring money from customers to merchants via SizzleMoney accounts.

Cubic, ViVOtech to streamline commutes

Cubic Transportation Systems Inc., a fare collection systems provider for public transportation, signed an exclusive software and licensing agreement with contactless and near field communication POS solutions company **ViVOtech**. The partnership will enable Cubic's Tri-Reader to process bank cards, prepaid cards and smart card-enabled mobile phones.

Under the agreement, Cubic will integrate ViVOtech's contactless payment software into the latest generation Tri-Reader platforms. Cubic said it will also obtain certification for MasterCard PayPass, Visa Inc.'s PayWave, as well as American Express Co. and Discover Financial Services cards.

Hypercom beefs up Singapore kiosks

POS terminal manufacturer **Hypercom Corp.** said **AXS Pte Ltd.**, a Singapore-based electronic service delivery network (ESDN) operator, selected its Optimum T4220

Ethernet terminals to provide high security, end-to-end technology upgrades for AXS's 560 automated self-service kiosks. The AXS ESDN platform allows organizations to reach target audiences via e-applications or Web services.

Ready, set, GO-Tag

Contactless chip technology company **Inside Contactless** and mega-processor **First Data Corp.** signed a three-year agreement to develop contactless payment stickers, which First Data will market as GO-Tag products. Under the agreement, Inside Contactless will supply MicroPass payment stickers exclusively to First Data-qualified card manufacturers for production.

"First Data's GO-Tag solution represents an important step in the evolution from today's plastic cards and fobs, offering a bridge to the future of mobile payments," said Barry McCarthy, General Manager, Mobile Commerce and POS Solutions, First Data. "This partnership enables us to offer consumers an opportunity to turn just about any personal item, from a mobile phone to an ID badge, into a payment device."

ACQUISITIONS

ProfitPoint expands stored-value footprint

Stored-value solutions company **ProfitPoint Inc.** acquired the merchant processing portfolio from Louisville, Ky.-based **ISO ePayment Consultants**. "This acquisition reinforces our commitment to expanding the [stored-value] business, especially at a time when many players in the payment space are in a wait-and-see mode," said Vaden Landers, ProfitPoint's CEO.


Fidelity National takes over Metavante

Fidelity National Information Services Inc. agreed to acquire processor **Metavante Technologies Inc.** in a stock deal valued at approximately \$2.94 billion.

This acquisition expands Fidelity's presence in the financial information technology space. "Increasingly, the market is demanding comprehensive, integrated solutions," said Nancy Atkinson, Senior Analyst for payment research firm Aite Group. "The combination of these companies provides greater depth and breadth in their offerings and supports those market demands."

APPOINTMENTS

Obopay adds Paavola

Mobile payment solutions provider **Obopay Inc.** named **Teppo Paavola**, Vice President and Head of Corporate Business Development at Nokia USA, to its board of directors. 



Features

Boom time for prepaid game card market

Just as moviegoers see value in handing over \$10 per person to experience make believe worlds in films, online gamers see value in loading real-world money onto game cards to enhance their online characters' experiences in virtual gaming realms. Prepaid card distributor InComm is capitalizing on this growing phenomenon.

The Atlanta-based company reported nearly 200 percent growth in game card sales in 2008 over the previous year. Brian Parlotto, Senior Vice President of Products and International Sales at InComm, attributed the increase to its channel distribution strategies.

"We'll continue to see aggressive growth numbers due to the fact that we continue to add new retailers and partners in this space," he said. "We have a lot of runway in front of us."

Lift off

InComm distributes cards from over 60 online gaming companies to more than 145,000 retail locations, such as big-box and convenience stores. Parlotto said additional growth will come in new merchandising tactics at retail locations and new product assortments InComm expects to add to its current lineup in the coming months.

Nexon Corp., one of InComm's gaming partners, launched a promotion on fountain drink cups at a major convenience store chain, Parlotto said. Nexon marketed its virtual worlds on the cups and offered free trial codes (for in-game time) on the bottoms of the cups to lure in new gamers. Parlotto said that in the last six months Nexon and the convenience store experienced "significant lift" from the promotion.

"In some cases, partners have decided to put bonus content on the higher denominational products to drive consumers to buy that higher denomination," Parlotto said. "It's really interesting to see how that dynamic happens." Additionally, product placement within stores is an area in which Parlotto sees improvement. Recognizing the potential of game cards, retailers will set aside store space for digital content alone, he said. Game cards, along with cards for digital music downloads, for

example, will occupy their own sections, akin to video or music sections.

The main purchasers of game cards are teenagers and young adults, Parlotto said. Therefore, the types of stores young consumers gravitate toward have been the most successful in selling the cards. One of InComm's partners relayed to Parlotto that game cards in convenience stores have become popular because such stores are hangouts where youths buy food and drinks after school.


Of the retail environments InComm has targeted for game cards, grocery stores have been the least successful, Parlotto said. He thinks it is directly related to who primarily shops there – adults, not teenagers.

Upward trajectory

In its 2007 prepaid card benchmark study, Mercator Advisory Group touted the digital media category, which includes music downloads, ring tones and game cards, as one of the fastest growing prepaid card segments. While Mercator found load volumes for other segments slowed down in 2007, the digital media category experienced an increase, up from 37 percent growth in 2006 to 39 percent a year later.

Mercator predicts the digital media market will almost double in three years, reaching nearly \$9 billion by 2011. "In general, gaming is surpassing prerecorded video [DVDs]," Parlotto said. "This should lead us to a very nice spot with our retail partners and gaming partners in the next three to four years."

Parlotto recognizes the synergy created between retailers and gaming companies. Through game cards, retailers become part of the value chain in online gaming, he said. And through the retail channel, online game developers are given another way to reach their core audience and expand their number of users.

"It allows for our product partners to interact with our retailers and be able to really develop a program that they didn't have the opportunity to do in the past," Parlotto said. "And the retailers never had gaming as a category as it relates to virtual worlds." 

Global payroll done with SaaS

For companies with global workforces, the future of payroll management is in third-party software as a service (SaaS) providers, according to Martin Stockton, Global Vice President for Business Development at Patersons HR & Payroll Solutions Ltd.

In the webinar, *Global Payroll – Myth or Reality?*, Stockton said, "There is no excuse now for why a global payroll

solution isn't possible. The technology is there now. Software as a service is definitely driving it, and it isn't going to go away. This is the future."

SaaS is technology that allows for the online outsourcing of important and costly business functions, such as payroll and customer database management. SaaS applications are designed to help streamline businesses by reducing or eliminating the costs associated with paper-based filing systems, mailing paper checks and cutting (or reallocating) the staffing needed to manage those processes.

As applied to global payroll, SaaS solutions should be viable regardless of country, language or currency, Stockton said. Additionally, the solution should reduce costs for multinational companies while allowing payroll service providers to turn a profit. But Stockton noted providers had traditionally been unable to meet that criteria.

"Payroll is currently delivered on a country-by-country basis – no one standard system," he said. "We get the scenario where some systems are in-house, some are outsourced. ... And typically we find there's more dissatisfaction with the external provider outsourcer than there is with anything that is done in-house."

Stockton said the reason for this dissatisfaction is that third-party providers do not integrate efficiently with in-house systems. Organizations want to leverage their existing systems and not incur the costs of upgrading to fit the processes of its payroll providers. Patersons, therefore, tailors its systems to work with the individual systems of its clients, not the other way around.

Singular solutions

Additionally, Stockton said organizations that require payroll systems to span geographic regions are looking for solutions that offer "one single, easily maintainable technology platform." That platform must provide processing and accurate, enterprisewide reporting back to organizations about who is getting paid and where. "And, quite simply, this really is totally possible in a global payroll solution now," Stockton said.

As an example, Stockton cited how Patersons integrated its technology into the entire human resources system of one of its Asia-based partners. "We're not providing [just] payroll solutions," he said. "We're providing HR solutions. We're providing the glue that holds the outsourced payroll together with their back office HR and all of their other HR solutions across the organization."

Stockton believes a major benefit to an automated global payroll solution is the reduction in accounting errors due to human error, such as dual entry and other mistakes associated with the manual entry of data. "Typically what we find is that roughly 95 percent of errors that come from payroll are data input errors, not processing errors," he said.

For example, an employee owed 20 hours of overtime in one pay period is only paid for two hours. "If it's a processing error and we've only processed two hours out of the 20, then we are at fault and we've broken our service level agreement and we're liable for retribution at that point," Stockton said. "The reality is that the manager actually signed off on two hours and the 20 hours was never inputted in the first place." By automating payroll, SaaS offers these additional benefits:

- Reduced headcount requirements of approximately 50 percent
- Reduced time on the complexities of new country setup by utilizing global payroll experts
- Reduced reconciliation tasks for general ledger, treasury and payroll administration


And by lessening or easing these burdens on human resource departments, employees can focus their attention on other activities, Stockton said.

The prepaid angle

Stockton also recognizes the role prepaid cards play in global payroll initiatives. General purpose reloadable prepaid cards allow unbanked employees – such as Polish immigrants in the U.K. and Central and South American workers in the United States who do not have traditional demand deposit bank accounts – electronic access to their pay.

But Stockton said prepaid cards can be employed by banked workers as well. "An employee can have 50 percent of his pay going into one bank account and the other 50 percent being allocated to partners, wives, husbands, or whatever" on prepaid cards, he said.

"So prepaid cards are instrumental for organizations that are working way outside the normal ... environment, but also for employees that want to pass payments on to other parts of the family and dependants as well."

Stockton said the electronic outsourcing of international payroll is part of an overall HR transformation. It seems prepaid cards are helping to facilitate that global shift. 

The state of escheatment

The Network Branded Prepaid Card Association unveiled a white paper at the 2009 Prepaid Card Expo that examines the confusing and awkward intersection between state abandoned property laws and prepaid cards. As the prepaid card industry develops, the NBPCA believes the laws that govern escheatment must be clarified for the industry to reach its full potential.

Selling Prepaid

Modern escheatment laws originated from the unclaimed property laws of feudal England. In medieval times, the laws ensured that property did not remain in legal limbo after the owners died, but were "escheated" back to superiors, such as feudal lords or kings.

In the United States of the 19th and 20th centuries, the concept of escheatment developed state by state to include "intangible personal property (such as funds underlying uncashed checks in a checking account)," the NBPCA said. As the economy grew and businesses expanded beyond state lines, conflicting state claims concerning escheatment arose.

Standardization

In recent decades, federal Uniform Acts have attempted to bring disparate state laws into conformity. According to the NBPCA, the 1981 Uniform Unclaimed Property Act added gift certificates to the definition of intangible property; in 1995, the act was expanded to cover prepaid cards. "This broad expansion meant that a merchant was required to pay the state for unredeemed gift certificates in *cash*, even though the merchant only was obligated to provide *goods or services* to the purchaser," the NBPCA said. "At least one court held that these laws constituted an unconstitutional taking of property from a merchant without due process."

Many states agreed with this verdict and refused to include gift cards and similar products under their escheatment laws, the NBPCA noted. While the association does not argue for or against the worthiness of tying prepaid cards to escheatment laws, it has concluded the laws that do exist are inadequate in dealing with the complexities of divergent prepaid card products.

For example, many state laws lump payroll, rewards, travel and teen cards into the gift certificate category, "without regard to their specific makeup, purpose or functionality," the NBPCA said.

The reason for this lack of specificity rests in the relative newness of prepaid cards. The NBPCA called prepaid cards "a poster child for the difficulties of applying existing laws to products or situations that were hardly imaginable when the laws were written."

One law does not fit all

The NBPCA enumerates many areas of the laws that need to be addressed, including:

- Lack of language focused specifically on prepaid cards
- Lack of defined "presumption of abandonment" time frames for prepaid cards (how much time needs to pass before unused funds can be claimed)
- Confusion over how much issuers can extract from cards in dormancy fees

The NBPCA recommends that the laws distinguish between open-loop, network-branded prepaid cards and closed-loop gift cards.

The NBPCA argues that, unlike closed-loop cards, open-loop cards can be used much like debit cards to access cash from ATMs and pay for goods and services from any number of merchants "over a longer period of time." Therefore, open-loop cardholders should be given a larger presumption of abandonment period than users of closed-loop cards.

Another problem area that the NBPCA said needs to be tackled is what funds escheat to what states. Do funds escheat to the state where the card buyer purchased the card or to the state where the card was used?

As the NBPCA pointed out, the individual who uses a gift card, for example, may live in a different state from the person who purchased the card. As for open-loop cards, the NBPCA said most of them are issued by banks. The way banks are constituted complicates which states are escheated funds.

"Consider a bank chartered in Delaware, with a holding company parent incorporated in Virginia, doing business in multiple states but with most of its employees in Utah," the NBPCA said. "Which state receives escheated funds?"

Anti-competition

The NBPCA considers that escheatment laws in the United States may hinder U.S. companies in the global prepaid marketplace. The NBPCA claims only in the United States and certain Canadian provinces are prepaid cards subject to escheat laws.

"Nowhere else do retailers lose the breakage [leftover amounts] on their gift certificates or gift cards; nowhere else do businesses forgo the benefits of uncashed checks and certificates and pay the funds to the states as a sort of additional 'tax,'" the NBPCA said. "As the industry expands to Europe, Asia and South America, the U.S. industry may face increased competition from institutions that are not subject to comparable laws."

Additionally, escheatment laws imposed on prepaid cards cause issuers to pass on the costs to consumers in the form of higher fees, the NBPCA noted.

No square cards in round holes

In conclusion, the NBPCA recognizes the funds garnered through escheatment laws can be an important revenue stream for cash-strapped states, especially in economic downturns. But, if such laws are to exist, the NBPCA urges state legislatures to take into account the particularities of prepaid cards when enacting legislation, rather than force rules onto the prepaid card industry using the existing legal framework. 🗑️

Are You Open to Other

Opportunities?

- 
- 7 **\$10,000** signing bonus
(Call for Details)
 - 7 Lifetime residuals
 - 7 Most competitive revenue share
 - 7 Upfront Bonus Plans
 - 7 Faxed & Online Applications
 - 7 Same day approvals & Live TIDs
 - 7 One of the highest approval rates
 - 7 Next day funding available
 - 7 Agent loan program
 - 7 Residual buyback
 - 7 Multiple platforms available
 - 7 Free Equipment to place or lease
 - 7 Online Tools
 - 7 Dedicated relationship managers
 - 7 Free training
 - 7 Customer service & Tech support in multiple languages
 - 7 Over \$30 billion processed annually
 - 7 A company with instant credibility

Call today!

Let us customize a program for you.



GET STARTED TODAY

1-888-519-9466

VISIT US ONLINE

www.ipayment-agent-iso.com

ISO@ipaymentinc.com

100% Above Interchange Pass-Thru

No Buy Rate. No Split. 100% Profit.

Visit us at the ETA Annual Meeting & Expo
April 21-23, 2009 at Mandalay Bay Resort & Casino
Las Vegas, NV Booths 805 & 807



For specific details, contact us at
www.100interchange.com
888.991.VISA

MerchantService
G R O U P

Raising the **ISO** Standard.

Company Profile



UseMyBank Services Inc.

ISO/MLS contacts:

Brian Crozier
Global Business Development
Phone: 416-822-3633
Fax: 416-667-9635
E-mail: brian@usemybank.com

Melody Wigdahl
Global Merchant Sales
Phone: 513-922-6158
E-mail: melody@usemybank.com

Joseph Iuso
Chief Executive Officer
Phone: 416-667-0700 ext. 9
E-mail: joseph@usemybank.com

Company address:

7-b Pleasant Blvd., Suite 1183
Toronto, Ontario
M4T 1K2
Canada
Phone: 1-888-259-2265

ISO/MLS benefits:

- Real-time online bank payments
- 99.999999 percent good funds rate
- Access to 45 banks in six countries
- Access to over 1 billion online consumers
- Expert with high-risk verticals

Payments' perfect storm

The elements under which Brian Crozier and Joseph Iuso co-founded Toronto-based UseMyBank Services Inc., a firm that facilitates real-time debit transactions through online bank accounts, came together in the proverbial perfect storm. Iuso, a 20-year veteran of the self-service banking industry, was looking for a way to offer merchants, billers and consumers the ability to make online purchases without using credit cards.

"The Internet has traditionally been very credit card oriented, but what we found is that when online merchants offer the same payment options that are available at brick-and-mortar stores they increase their sales by 30 to 40 percent," Crozier said. "Can you imagine walking into a store where the merchant only accepted credit cards as payment?"

"It wouldn't happen, but when you look at many major Web sites today they only offer credit card options for purchase.

"However, credit cards don't give consumers the ability to push that purchase through using their checking or savings account. And because UseMyBank can wrap that whole online banking experience into a three-click online bank payment for consumers without any sensitive customer data being shared or stored, we've developed a 99.999999 percent good funds rate.

"This not only eliminates chargebacks, but considerably reduces the exposure and risk usually associated with credit card and automated clearing house payments online," Crozier added.

Point of no return

Crozier was working for a company that specialized in processing online gambling payments when he met Iuso, an information technology specialist working in the Canadian and international banking sector. Iuso spent years developing proprietary payment and management products to enhance POS devices and ATMs; however, his dream was to leverage online banking for all payment types on an international basis.

Fate, it seemed, intervened to bring the two together. Both companies Iuso and Crozier worked for went out of business during the dot.com blowout of 2000.

"When I met Joseph, I'd already been in the payments industry at the Internet's onset, and the online gambling industry and the merchants who serviced those players were the forerunners of e-commerce," Crozier said.

"They had a huge hunger for online payments, but realized they had to offer more payment options."

Though unable to amass enough capital to start their new business – alternative online payment platforms were considered risky ventures – Crozier and Iuso were undaunted. Crozier wanted to leverage more payment methods under his own company's brand and not limit himself to reselling credit card processing.

When he heard about Iuso's idea of linking online banking payments to a merchant's Web site, he knew the technology would take online payments to the next level. UseMyBank was founded in December 2002.

Company Profile

"The merchant has specific needs and requirements, so what I do is get that backside [software] polished up and then take it out to business owners. I've got credibility and a reputation within certain verticals which allows me to get new technology tested by a real live merchant and get it implemented with merchants that run a good, stable operation. This is critical because you don't want to put the processor at risk."

– Melody Wigdahl
Merchant Sales Director
UseMyBank Services Inc.

The halo effect

"The companies that considered investing in our business model went down with all the other Monsters of the Midway, so Joseph and I broke off and decided, no matter what, that building UseMyBank was worth it," Crozier said. "So we went down that road of no return, mortgaged our lives and put everything into this company.

"Fortunately, we were able to gain some traction shortly after we launched the company and earn enough to sustain us and allow organic growth. Joseph built the technology component for everything we do, while my focus is building the business side and fostering relationships

with processors." Crozier said that UseMyBank has been able to land some of the biggest companies in that vertical using what he calls the "halo effect" to push their payment option, which means that it operates under the "halo" of companies that have good reputations and trusted brand recognition.

"And our thinking was that if we could totally dominate one vertical, we could be successful in other markets using the same approach," he added.

"What UseMyBank has done is give our merchants a bridge so that their customers can buy things online using the same payment method they do to make a bill payment," Crozier said. "UseMyBank gives online bill payers an additional purchase function, the power to make real-time online bank payments and in another dimension outside of paying bills."

Eye of the hurricane

One element in the "perfect storm" that has enabled UseMyBank's success in online gambling payment processing was the discovery of the company's Global Merchant Sales Director, Melody Wigdahl.

Wigdahl was working in the Nevada hotel industry 20 years ago when she was introduced to the world of payment processing and online gambling. Crozier sought her out in 2003 when he caught word of her reputation as a leading expert in online payment processing.

"Melody had been developing a number of different payment platforms over the years and she had a lot of connections in that merchant space," Crozier said. "And she was able to go to the very top executives in the online gambling industry and offer them UseMyBank, which is a solution they desperately wanted and needed." For Wigdahl, it was simply a matter of matching UseMyBank's "extraordinary" technology with the right client.

"The merchant has specific needs and requirements, so what I do is get that backside [software] polished up and then take it out to business owners," Wigdahl said. "I've got credibility and a reputation within certain verticals which allows me to get new technology tested by a real

TELEDRAFT
PAYMENT PROCESSING SPECIALISTS

www.teledraft.com

Full Service ACH Processing

Access new markets and generate valuable new income
with our Reseller Program!

- MOTO Sales
- Ecommerce Solutions
- Billing Applications
- Quick Books® Integration
- Batch Delivery
- Payroll Processing
- Next Day Funding
- Customized Solutions
- High Risk Merchant Programs
- and more...

Receive

- Sales Support
- Live, Bi-lingual Customer Service
- Customized Presentations
- Next Day Activations
- Lifetime Residuals

Exceptional buy rates and profitability to accommodate
any opportunity or competitive situation.

For more information, please contact:
1-800-848-5826 or Resellers@teledraft.com

live merchant and get it implemented with merchants that run a good, stable operation. This is critical because you don't want to put the processor at risk."

UseMyBank offers its service as a value-add through its ISO reseller channel in the United States and internationally. Additionally, the company's portfolio has grown as a direct result of the credit card crunch. Card issuers are tightening up, offering less credit, issuing fewer cards, and coming down on what they consider high-risk industries like online travel and gambling – all of which UseMyBank has used to its advantage.

"There's a lot of credit card fraud – as well as friendly fraud and chargebacks – in the travel and airline industries in particular," Wigdahl said. "They're really getting hit hard right now. Rates were being raised as fuel prices skyrocketed. Well, guess what? With a direct debit processor like UseMyBank, we have a near perfect good funds rate. And because of this, we're attracting a lot more businesses looking for non credit card-based payment solutions."

Fresh air world

UseMyBank's central focus moving forward is to expand its vertical markets and geographic reach; the company is in the process of adding several European, Asian and

Australian online banks to its portfolio. It is also looking to expand its services into mobile payments by developing Web 2.0 widgets and other alternative payment platforms. "We're definitely expanding outside of the online gambling vertical, starting to show traction in the fresh air world of the airline and travel industries," Crozier said.

"These are industries that have matured to the very highest degree of online penetration. Outside the Internet, travel is infinitely more expensive, so now everyone in both those industries has rolled over there to buy their tickets and trips.

"All we're doing is joining all of the major online banks in the world into one network for our client base. So, as a merchant, when you sign on with UseMyBank, we're going to give you access to over 45 banks with over a billion people that can make an online bank payment to the merchant from anywhere on the planet. I think that's why we're friendlier to the merchants.

"We're here to make our product available to everyone without gouging clients on rates. And really, it should be all about options and ease of use when it comes to making an online payment, regardless of the method," Crozier added. ■

Focus. Stability. Trust.

In turbulent times... experience becomes infinitely more important.



Selecting the right payments processor has always been important. In today's economy it is absolutely critical. Choose Elavon – a partner who is focused solely on the payments business. You can rely on Elavon to continue making the investments necessary to successfully navigate the changing payments landscape.

www.elavon.com

©2008 Elavon, Inc. All Rights Reserved.

Elavon
Elevating Payments



**Target Your Success
with Pivotal Payments
\$1,000 per Merchant Program**

**Contact us today
to get complete details.**

1 866 467-2688

www.isoagentprogram.com/eta

**Visit us at the ETA
in Las Vegas!
April 21-23**

**Confirm Attendance at:
www.ISOAgentProgram.com/ETA**

**In-suite Presentation at
The Mandalay Bay!**

**No limits.
No caps.
Weekly payments.**

**The most lucrative program
available today!**

Company Profile



Data Delivery Services Inc.

ISO/MLS contact:

John C. Nix
 Senior Vice President
 Phone: 888-302-0296
 Fax: 972-867-2314
 E-mail: jnix@dds-data.com

Company address:

5085 W. Park Blvd., Suite 300
 Plano, TX 75093
 Phone: 888-302-0296
 Fax: 469-867-2314
 Web site: www.dds-data.com

ISO/MLS benefits:

- Online merchant statements
- Multiple products combined in one merchant statement
- Customer relationship management
- Self-service portals for merchants and MLSs
- Online merchant risk management module
- Online PCI management module
- Custom programming

Special delivery

Our ability to access and store information is ever expanding. Online search engines like Google have become so essential to modern life that google is now a commonplace verb. And ISO portfolios are packed with vital data. Keeping track of all that information can be overwhelming, but making the best use of it is crucial.

According to John Nix, Senior Vice President, International Sales and Marketing at Data Delivery Services Inc., few companies in 2000 – even major payment processors – had the tools for managing data for the Web that DDS offered. The company started under an ISO with a handful of employees. Today it is a privately held company serving over 800,000 merchants, with offices in Texas, Georgia, Japan and Vietnam.

"In the late 90's the owners of the [ISO] were really upset with the lack of tools that were available to manage a merchant portfolio via the Web," Nix said. For each merchant boarded, the owners wanted to know the monthly commission, the assessed discounts, issues of concern and so forth.

"The Web was really ripe for this type of information, and the major processors really weren't paying attention to it," Nix added. DDS' ISO reporting module allows ISOs (and sub-ISOs) to provide direct support to merchants. ISOs can run risk management and residuals reports from the module.

Nix said its most popular product is its customer relationship management tool, which tracks incoming phone calls, routes them to the appropriate department and ana-

lyzes call data. This information is then given to the appropriate sales agents or managers.

A custom fit

ISOs contend with numerous vendors, changing regulations, impending legislation and interchange revisions. For ISOs who don't want to learn yet another system, DDS can customize solutions to fit the ISO's platform. The system can have the client's name, look and feel so that merchants and merchant level salespeople (MLSs) don't realize it's a third-party system.

Nix explained that, though some DDS clients work with three back-end processors, they have a common view on their computer screens; their call centers use the DDS software packages to build and manage the interactions with merchants regardless of processing platform.

He added that this makes training simpler for DDS customers. "It's a lot easier to train somebody on a Web-enabled tool versus trying to train them on [processor specific] tools," he said.

Nix noted DDS was at times caught unprepared, staffing-wise, for its rapid growth. "In spite of those growth pains that we've had in the past, we've always been able to deliver what [the customers have] been asking for," Nix said. "And I think that's probably what sets us apart. We do what we say, and we say what we do."

He credits this rapid growth to the customization of DDS products. "We never want a customer to feel that the tools that they're using have to fit DDS' world," Nix said. DDS



Why bottle yourself up with just Credit Card processing?

Push Button Access to 23 Product Lines for Potential Revenue



Web Design

Web Hosting

Print/Graphic Design

Brand/Identity

Credit Card Processing

And Much More...

myARCworld
"one company...one source"

info@myARCworld.com

1.877.ARC(272).6500

www.myARCworld.com

"One of the things that separates us from the in-house IT departments is the fact that we spend so much money on security. We encrypt all of our data at rest. So even if we were hacked, and God forbid someone was able to walk off with card numbers, they'd be meaningless. They don't have what they would need to be able to reconstruct the card."

— John Nix
Senior Vice President
International Sales and Marketing
Data Delivery Services Inc.

strives to adapt its software to its customers' processors, internal processes and computer user interfaces, he said.

That's a tall order, but not quite so tall when your programmers have been working in the merchant acquiring business for years.

"We're in a unique position that we can always bring in a team that's pretty much seen every processor, every front-end, authorization system, every back-end system," Nix said. "And not only here in the United States, but overseas as well."

Nix said the DDS management team comprises individuals who have run ISOs, worked for ISOs, or been in sales or operations for processors.

He added that all of the company's business analysts have master's degrees or higher in computer science or software engineering.

In-house or outsource

Nix said DDS' biggest competitors are always the internal information technology (IT) departments of potential clients. "There is no doubt in our minds that other IT departments can do this," he noted.

One decision ISOs have to make is

whether to devote resources to managing their own development or pay to have someone else do it.

With ever-changing regulations, the cost of staying PCI compliant and the cost of being breached, many ISOs are thinking twice about developing the tools to maintain in-house compliance, Nix said.

"One of the things that separates us from the in-house IT departments is the fact that we spend so much money on security," he said.

"We encrypt all of our data at rest. So even if we were hacked, and God forbid someone was able to walk off with card numbers, they'd be meaningless. They don't have what they would need to be able to reconstruct the card."

DDS has multiple data centers around the world; the Internet-facing ones house truncated data (the middle six digits are missing). In 2008, the company rolled out a PCI management console for its merchant acquirer clients to use in building PCI management processes for merchants.

More applications

According to Nix, DDS' fraud and risk management module signifi-



ARE YOU
ONE OF THE
EXCLUSIVE

100?

[Find out by visiting booth #943 at ETA]

WE'RE LOOKING FOR 100
EXCLUSIVE, TOP TIER AGENTS
THAT CAN CLOSE 10+ DEALS
PER MONTH. COME VISIT OUR
BOOTH #943 at ETA and CLOSE
THE DEAL OF YOUR CAREER.

954-786-9007

recruiting@ReliablePaymentSolutions.com

—OFFERING THE INDUSTRY'S BEST—
COMPENSATION PACKAGE:

- ❖ \$500 per activated location *and* 50% of residuals
- ❖ \$200 per activated location *and* 70% of residuals
- ❖ Or, a straight 80% of residuals

Upfront payment. No qualifiers. No conditions.



RELIABLE
PAYMENT SOLUTIONS

A Century Payments Company

Company Profile

cantly decreases acquirers' fraud losses. In addition to reporting and crunching merchant portfolio data, DDS processes loyalty data and has recently added custom programming to its services.

"We'll do the business analysis," Nix said. "We'll do the development and turn the code back over to you as the customer, and you can maintain it yourself; or we can come in and do maintenance for you on a regular basis for things such as your own internal commission reporting, your own profitability reporting, if you need to do inventory management.

"Or maybe it's something ancillary. Maybe you're not only doing merchant processing, but you're in another business line. Maybe you're in the health care vertical, and you need to have some special programming to go along with your merchant business."

Rolling with the punches

Revenue streams have shrunk in the last several years. "I think probably three or four years ago making 50 basis points on a merchant wasn't unheard of," said Nix. "I think in today's environment, [the norm] is probably 20 basis points. As the margins continue to shrink, there's got to be new avenues for new growth.

Change YOUR Point Of View
Plug Into The Right Solution

eProcessingNetwork
the everywhereProcessingNetwork

Internet

Mobile

Point Of Sale

**Small Business
Financial Software**

**Advanced Recurring
Credit / PIN-Debit / Signature Capture
ACH / Gift Card / Loyalty**
ALL MAJOR PROCESSORS

No Payment Gateway Offers MLSs More
Portfolio Control and More Ways to Make Money

www.eProcessingNetwork.Com
Reseller@eProcessingNetwork.Com 800-296-4810

ETA 2008
Annual Meeting and Expo
Booths 708 / 710

"Unfortunately in our industry, we're becoming more and more regulated." He added that the positive side of that development is that it's providing more safeguards to credit card users. Nix also predicted a shift in the industry toward more fee-based revenue related to compliance and regulatory issues.

He expects merchants will become more selective in accepting card brands at the POS. Costly rewards cards are a case in point.

"I know in today's environment they're supposed to accept all cards," Nix said. "But I wouldn't be surprised if there's a point in time where [the merchant says to the card user], 'I really want you to use your debit card and not your sky miles card' – or whatever it might be."

Nix said Visa Inc. and MasterCard Worldwide would respond by attempting to enforce its honor all cards requirement, adding that the government may then step in on the merchant side, claiming the honor all cards agreement violates anti-trust statutes.

One recent piece of legislation is providing an opportunity for DDS. The American Housing Rescue and Foreclosure Prevention Act of 2008 (HR 3221), which goes into effect at the close of 2010, requires acquirers that process more than 200 transactions, or more than \$20,000 in volume per year, to turn over aggregate dollar amounts of credit and debit card transactions done by their merchants to the Internal Revenue Service each year.

"We plan to offer that reporting by the third quarter of this year," Nix said, adding that the ISOs DDS serves "can start being able to interface with the IRS to make sure they have the right Social Security number or tax ID that they'll be reporting under.

We have all that data for our current clients today. It's just a matter of being able to forward it to the IRS and create the 1099s for the merchants."

Rewarding experiences

Nix feels that when he walks into customers' or prospects' offices and learns of their issues, problems or obstacles he is "always be in a position to say 'we can help you with that.'"

He said hearing MLSs throughout the United States say they enjoy using DDS' software is recompense in itself. "The biggest reward is being able to offer a software product that is usable, gives a customer good return on their investment and that they continue to use us."

In a world of shrinking margins and financial uncertainty ISOs *can* control many things, not the least of which is having easy access to information that's vital to managing their portfolios and serving their merchants. ■

GET THE SECURITY AND PROTECTION YOU NEED.



A cheaper price isn't always a better deal.

There are three main parts to a credit card transaction:

Part 1 - Authorization

Part 2 - Capture

Part 3 - Settlement

(Front End)

(Back End)

- At NPC, we use the leading front end Authorization and Capture networks in the credit card industry—the same networks that process most of the world's credit card transactions—NOT a low budget, home-grown, vulnerable system that could leave you exposed.
- For back end Settlement, NPC utilizes First National Merchant Solutions, the settlement company of First National Bank of Omaha (FNBO). FNBO has been in the credit card industry since its beginning and sets the industry standard as a strong, stable, dependable, back end service provider.
- NPC has developed the Platinum Security Program, which is a customized program created specifically to meet the individual security needs of our merchants. Our Platinum Security Program is a comprehensive security package designed to help you protect your business and was developed by our dedicated department of experienced industry experts solely focused on merchant data security.

With NPC, merchants get everything they need to process transactions securely.
Great Price | Dependable Service | Secure Processing Platform

**Don't let your processor put you out of business.
Call NPC today!**



NPC®



1.877.300.7757

New fees, more money for Visa, MasterCard

MasterCard Worldwide and Visa Inc. are revising fee schedules, upping the ante for merchant acquirers. MasterCard recently unveiled a new Network Access and Brand Usage (NABU) fee of \$0.0185 per transaction to be assessed acquirers beginning in April 2009. Visa will levy a new U.S. Acquirer Processing Fee (APF) of \$0.0195 per transaction three months later.

Unlike interchange, which benefits bankcard issuers, these new fees will flow directly to MasterCard and Visa. It's a move that should pay off handsomely for the two companies' shareholders. Adil Moussa, a Senior Analyst with Aite Group, estimates MasterCard, alone, will boost per-transaction revenues by more than 300 percent, from \$42 million to \$152 million in one year.

"This is a direct result of MasterCard and Visa going public," Moussa said, adding that he expects more new fees in future years. "They have to make their shareholders happy."

In the details

The NABU fee of \$0.0185 will be billed by MasterCard for "each acquired financial detail" record, according to ISOs and merchant level salespeople (MLSs) who have received notice of the fees.

The fee is based solely on clearing records; it does not apply to authorizations that don't get settled, addendums, manual cash advances, chargebacks, reversals and other special situation categories. It takes the place of the Acquirer Access Fee MasterCard has been billing as a pass-through cost of \$0.005 per authorization.

Only transactions involving both U.S. merchants and U.S. cardholders are subject to the new MasterCard fee.

Meanwhile, Visa will begin assessing its APF of \$0.0195 on July 1. It will be assessed per authorization acquired in the United States, regardless of where the issuers or cardholders are based. Also covered are Visa POS Check and Visa ReadyLink authorizations. The APF does not apply to Zero Verification Messages or Authorization Reversals.

Visa also said it will eliminate the VIP Variable Access Fee now imposed on all Visa transactions, according to those who have received notice of the plan.

On the merchants

Both MasterCard and Visa also revealed new interchange

rates. A document detailing MasterCard's fee schedule, available on its Web site (www.mastercard.com/us/merchant/support/interchange_rates.html), takes up 115 pages.

Visa interchange adjustments include extending the Small Ticket Interchange Rate to Service Stations for transactions of \$15.00 or less. More information is on Visa's Web site, <http://corporate.visa.com/md/in/main.jsp>.

MLSs and merchant representatives *The Green Sheet* spoke with said they expect MasterCard's and Visa's new fees will ultimately hit merchants hard.

Jennifer Hatcher, Group Vice President for Government Relations with the Food Marketing Institute, said preliminary estimates indicate the two new charges, combined, could raise a supermarket's operating costs by as much as \$3,000 per store per year. "It would take \$300,000 in grocery sales just to pay that fee increase for one year," she claimed.

We solicited comments about the new MasterCard fee on GS Online's MLS Forum and found few agents eager to pass on new fees to clients. "It is starting to look like the card companies think the merchants are a bottomless well to draw from," read a comment from The Dustman. ☒

RBS, Heartland PCI compliance revoked: What's next?

Following a stretch in which no penalty was handed down for two large-scale data breaches, Visa Inc. revoked the Payment Card Industry (PCI) Data Security Standard (DSS) compliant statuses of both Heartland Payment Systems Inc. and RBS WorldPay Inc. on March 13, 2009.

Visa, however, said in a statement that merchants who continue their alliances with Heartland and RBS won't be fined.

Both companies recently disclosed breaches to their data networks that compromised the information of thousands of clients – RBS indicated it had been breached in December 2008, and Heartland in January 2009.

Reinstatement coming

Each company said reinstatement of its PCI-compliant status is forthcoming.

"We ... believe that by no later than May 2009, we will be returned to the Visa list of PCI DSS compliant service providers," said Robert Carr, Heartland's founder, Chairman and Chief Executive Officer, in a written statement. A

statement from RBS said the company hoped to be recertified by the end of March 2009.

No sanctions against RBS or Heartland have been reported. A media spokesperson for Visa wouldn't comment on the matter, and both RBS and Heartland limited their comments to written statements. But observers believe both RBS and Heartland are likely looking at huge fines and possibly the loss of merchants, not to mention further reputational damage.

Who's in charge?

Visa's decision is not the final word on either company's compliance status. The PCI Security Standards Council (SSC) is "a synchronizing body," but its laws are enforced separately by each of the major card brands on the council, according to Tim Cranny, CEO of Panoptic Security Inc.

"The card brands, not the PCI SSC, monitor compliance," said Bob Russo, General Manager, PCI SSC.

Heartland, for one, has so far retained its compliant status under American Express Co. and Discover Financial Services. And the company said it is still processing Visa card transactions as well.

Merchants on the move

Merchants generally are required by the PCI DSS to work with PCI compliant processors, just as they are required to be compliant themselves, said Attorney Adam Atlas, who specializes in payments industry matters.

But Visa's decision not to fine clients of Heartland and RBS may persuade some merchants to stay on board.

"All we hear in the industry, up and down, is everyone who's anyone has to be PCI compliant," Atlas said. "But, at the same time, the people who control the levers of power at Visa are not going to shut down hundreds of thousands of merchants."

The reasons why Visa revoked the compliance statuses of Heartland and RBS have not been revealed (sources close to the matter would not comment on what the post-breach audits have found, saying only that they were ongoing).

Some contend Visa made its decision in response to the breaches without considering PCI compliance, per se. Heartland passed its last PCI certification audit in April 2008, and RBS was certified two months later.

Innocent until proven noncompliant

"No negligence has been publically admitted or proven, but Heartland and RBS have been removed from Visa's PCI compliant service providers list," said Mimi Hart, President of security software provider MagTek Inc. "I am a believer in innocent until proven guilty."

In its statement, RBS said: "There have been no material system changes [since the last certification] that would have negatively altered this certification."

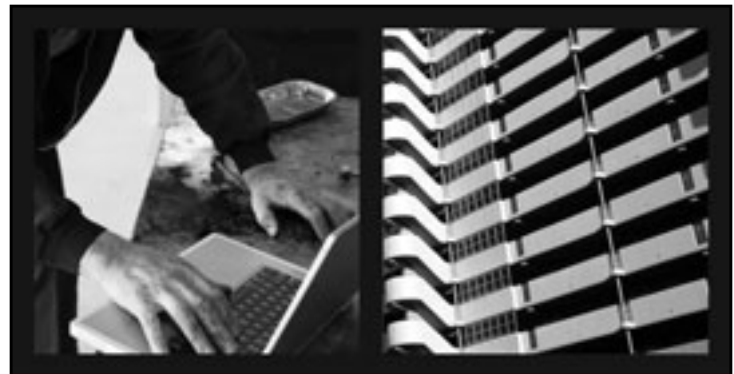
Changes likely

The incidents at Heartland and RBS have put both of those companies and the PCI DSS itself firmly in the spotlight, and there seems to be consensus that the PCI SSC will make some changes.

Cranny said there would likely be changes to the way breaches are handled – "how one manages communications, what actions are taken, how briskly" – while Hart said the use of end-to-end data encryption would be the logical next step.

"I think you will see a fairly quick move towards encryption of data in motion, but this is reactionary and will prove inadequate," she said.

Cranny said the issue ultimately comes down to consumer trust. "You could have all the standards in the world, all the paperwork, all the processors, but if at the end of the day consumers are hearing bad news ... and use cash instead of plastic, then the entire process has to be a failure on some level," he said.



- Quick decisions usually within 24 hours
- Aggressive commissions 8% upfront 3% residual Renewal Commissions
- Aggressive pricing for higher end deals that told you no in the past
- No processing switch required; keep your current relationships

Contact:


Tony Syracuse
Vice President of Sales
Greystone
Business Resources Corp.
665 Molly Lane, Suite 130
Woodstock, GA 30189

Toll Free: 866-813-0616 x4720
Direct: 678-813-4720
Fax: 678-813-4701
tsyracuse@greystonebr.com
www.greyston.com

GREYSTONE
BUSINESS
RESOURCES

News

During Visa's Global Security Summit, held March 19 in Washington, D.C., Visa Chief Enterprise Risk Officer Ellen Richey told attendees that annual PCI audits check only for minimum level compliance and that maintaining compliance requires ongoing vigilance.

"No compromised entity to date has been found to be in compliance with the PCI DSS at the time of the breach," Richey said. 

A token of payments to come

Merchants typically incur significant costs to become Payment Card Industry (PCI) Data Security Standard (DSS) compliant and face the prospect of hefty fines if they are determined to be noncompliant – not to mention the operational and reputational damage data breaches can cause. Mercator Advisory Group suggests tokenization may be able to mitigate these concerns.

Mercator's new report, *Emerging Technologies Practice, Merchant Security, Tokenization and the Fairy Tale of Outsourcing PCI*, examines tokenization as a secure alter-

native for card data storage, processing and settlement.

According to George Peabody, Mercator's Director, Emerging Technologies Advisory Service, a token is a proxy that replaces consumer card numbers with a number generated by a third-party tokenization platform.

"The idea is to reduce the number of locations where card numbers are stored within the network," Peabody said.

"So with tokenization, the processor is the only organization with the full card number. After the transaction is authorized, only the token number goes back to the merchant, and the POS system now tracks it forevermore via the token, which is useless to a fraudster."

Gaining momentum?

Peabody added that the concept of tokens has caught on with merchants seeking to reduce their PCI-compliance burden. "Even merchants who are PCI compliant are now looking at tokenization because, as PCI continues to evolve in response to new breaches and new forensic analysis, the ante for merchants continues to go up," Peabody said.

"Additionally, now that the payment network and the Internet touch each other, weaknesses have been found

Attention New Agents: Get your 1st Month Free. Free Processing...and we mean it!

TriSource Solutions is offering **free processing** for your 1st month as part of our special **Satisfaction Guaranteed** program: If you aren't satisfied with our program for any reason, **we'll let you move your accounts or we'll buy out your portfolio!**

We're so confident that you'll find the processing relationship you've been looking for with TriSource Solutions, we'll give you **100% portability** if we don't meet your expectations. **No questions asked.**

Call Bret Baumann at (512) 829-4094 or Tom Dunn at (410) 592-7485



www.TriSourceSolutions.com



**100%
Portability!
Satisfaction
Guaranteed!**

TriSource
SOLUTIONS LLC
SATISFACTION GUARANTEED. PERIOD.

It's always easy to spot
The Phoenix Group
customer.



When it comes to choosing a POS distributor, the choice is clear; The Phoenix Group. We are the industry's largest independent POS equipment and service supplier. Our customer service is legendary. Our support system is complete -- Deployment, Encryption, Repairs, Overnight Replacements, quick turnaround, and outstanding product availability from all major manufacturers. To top it off, our prices are the absolute lowest in the industry on both new and refurbished equipment.

Maybe that's why it's so easy to recognize one of our customers.

Call today to get signed up and start saving money.

THE PHOENIX GROUP

Call toll free 1-866-559-7627
www.phoenixgrouppos.com

Check out our specials @ www.phoenixgrouppos.com

News

in both, creating more risks than merchants want to manage."

Peabody cautioned that choosing the right vendor requires careful evaluation.

"A lot of these companies tend to be smaller, so if a merchant is going to outsource their tokenization, they need to know that vendor is viable, because if that provider goes out of business, then the whole scheme can fall over," he said. "Merchants don't want to take that risk, so I would think eventually the bigger processors and acquirers are going to need to step up their efforts and implement a tokenization platform."

What price security?

The resources and time required to upgrade to a tokenization platform are significant. "A lot of business software has been written around card numbers, so transaction reporting and chargeback schemes would have to get reprogrammed to accommodate token numbers," Peabody said.

"The risks and costs need to be fully evaluated by each merchant, but in the long run they've reduced PCI audit expenses, and they no longer need to store card numbers, which makes that merchant a whole lot less attractive as a

target." Merchants are "throwing up their hands and saying, 'Look, let's just not store numbers at all, and we won't have the same level of headache every year,'" he said. "Obviously, there are a number of players out there doing this who would be happy to talk to ISOs about reselling opportunities." ■

Raising the ACH bar

To help payment professionals expand their knowledge base, NACHA – The Electronic Payments Association – offers the Accredited ACH Professional (AAP) program. NACHA has certified over 3,500 AAPs since it founded the program in 1993. Candidates are welcome from any sector of the industry but need at least two years of Automated Clearing House experience.

"The whole point is to make sure that people have a solid subject-matter base to start from," said Scott Lang, Senior Vice President of Association Services at NACHA. "The exam is a way for us to ascertain that the AAP has expertise in issues relating not only to the ACH network, but other payment system issues as well."

It's the journey that counts

Lang said the AAP program is ideal for operations, risk and product management experts. However he believes it would be valuable for ISOs and merchant level salespeople to take this exam.

"It will give them a comprehensive understanding of how the network operates and help them to be more effective in meeting the needs of their corporate customers," Lang said. "Because of the new complexities in the payments system, financial institutions, processors and governments need to make sure that the people they are employing have that subject expertise.

"And remember, it's not the exam that is critical, it's the preparation and commitment required to master the information and to stay on top of new developments and issues that arise around the payment network's evolution," he added.

A greater understanding

AAPs attended NACHA's annual conference in Orlando, Fla., from April 5 to 8, 2009. On the last evening of the conference the association hosted a seminar called Destination: AAP, with presenters from NACHA and its regional payment associations. It gave aspiring AAPs a chance to network with current AAP professionals and instructors.

"We are seeing financial organizations and governments hiring people who specifically deal with the payments industry, and more and more are requiring that cer-

**BRING US YOUR TIRED, YOUR POOR,
YOUR HIGH RISK MERCHANTS!**



NTC
NATIONAL TRANSACTION CORPORATION


WE WILL PROCESS
all of the
HIGH RISK MERCHANTS
that most others won't!

including:

- Travel
- Bail Bonds
- Companion/Dating Service
- Legal Gambling
- Sports Forecasting/ Odds-making
- Telecommunication Services
- Stand Alone used car and truck sales
- Wire Transfer
- Door to Door Sales
- Pharmaceuticals via Internet
- Inbound Telemarketing
- Direct Marketers
- Outbound Telemarketing
- Stand Alone sellers of prepaid phone cards and prepaid cell phones

1-888-996-CARD (2273)
www.nationaltransaction.com

tification because it is a clear indication that the AAP understands *all* the network issues as they apply to that organization and can help them better manage their infrastructure and maintain security and efficiency within it," Lang said.

The AAP exam will be administered from Oct. 12 to 30, 2009. For more information, visit www.nacha.org/app, www.pubs.nacha.org/aaptestprep.html or e-mail aap@nacha.org. 

Virtucard for virtual goods

The Virtucard, a new online payment method from SafPay Inc., promises no chargebacks and a low per-transaction fee for merchants while offering anonymity and security to consumers. Consumers load virtual mall cards with their banks' online bill-pay providers and use them like gift cards at participating online stores.

The micro niche

According to George Ouzts, SafPay's Chief Executive Officer, merchants are charged a flat 3 percent per transaction for all Virtucard transactions.

The lack of additional merchant account fees or interchange makes it economical for merchants to accept micropayments, which are used in the online gaming industry, on social networking sites and for pay-per-use services. Ouzts said there is growing interest in secure, membership-based Web sites that charge by the minute and that some merchants whose customers formerly paid with credit cards were adopting the Virtucard instead.

He also indicated online travel services and goods-not-present merchants (ones that sell goods that are not physically shipped, such as software, music and virtual items) are examples of high-risk vendors who might be good Virtucard candidates.

Virtual mall in reality

"On the merchant side, we didn't realize how many merchants were unhappy with either their current credit card processor or how many merchants couldn't get credit card merchant accounts in the U.S. and were forced to go offshore," Ouzts said.

He added that consumer enthusiasm for Virtucard was also surprisingly high. "[Consumers] were loading up their cards with hundreds of dollars; they were spending more than typical credit card users," he said.

He speculated that consumers were using this payment method either because they felt safer or because they felt


compelled to spend funds already loaded onto the card – even though SafPay allows consumers to cash out their cards at any time.

Paul Grill, an Annapolis Consulting Partner who focuses on card issuing and emerging payments, said that among the many new payment offerings designed to lower transaction costs for merchants, the security and anonymity of Virtucard is a unique twist.

"The challenge, I think, with a lot of these product offerings is how to really drive the consumer uptake because they tend not to have the same level of perceived benefits to the consumer as might a traditional card-based product," Grill said.

ISO angle

Grill said that ISOs focusing on e-commerce should be "thinking about ways to act as a distribution entity or consolidator or some other business model that allows one to help these companies actually flourish and still participate in some of the transaction flow opportunity."

Though companies offering alternative payment options won't be quick to give up their margins, using the proven and effective ISO channel is a reasonable strategy for them to pursue, Grill said. 

www.bankcardcpa.com

Does your accountant think that:

- An ISO is a perk of working for a public company?*
- An MLS is a website for looking up real estate?*
- An Interchange Fee is paid at an expressway on-ramp?*

If you were to tell your accountant you are in the acquiring industry, would the response be:

Really? I thought you sell credit card machines.

If so, consider working with a CPA firm that understands your business. Our firm has been serving ISO's and Agents for more than a decade. We can help you navigate the challenges of:

- ◆ Selling a portfolio.
- ◆ Designing employee benefits.
- ◆ Selling a business.
- ◆ Designing compensation plans.
- ◆ Making the everyday decisions that drive your business.

Mike Laird is the CPA who gets you and your business. Mike has invested years educating himself about the industry. He even attended ETA this year. Mike has already advised ISO's and Agents on portfolio sales, partner buyouts and mergers.

What has your accountant done to meet your changing needs?

PA Paul A. Dominik 
1150 W Northwest Hwy, Ste A
Mount Prospect, IL 60056
Company

Michael A. Laird, CPA

847-255-7212
mlaird@bankcardcpa.com

GIVING IT TO YOU STRAIGHT.

I first joined Total Merchant Services because I felt like I could believe them. I stayed because they keep their promises – my overall monthly and residual revenues keep increasing, month after month.

The underwriters are superb. I always feel like my customers are safe. I feel like I have total control over my portfolio. Even in uncertain times, I feel secure because I am with a good, ethical company.

Without a doubt, AMPlify is the pulse of my business. The amount and quality of the information available via the Account Management Portal has made me efficient, effective, and most importantly, profitable.

I always know with certainty what is going on with my clients. I can depend on daily emails to notify me of any updates and changes. This lets me focus on growing my business because I know my merchants are safe, secure and satisfied.



REAL REPS. REAL SUCCESS.

Jeff Schafer

I'm helping my clients, making great money, and having fun in the process.

See the difference for yourself.
Join the team with a proven track record.

Check out Total Merchant Services program details at
www.upfrontandresiduals.com or call us toll-free at
1-888-84-TOTAL ext. 9411.



total merchant services
payment solutions for your business

Here's how to get a bigger hand in the grab!



Do you ever feel like there are too many hands in the pot? Fewer people involved means more money for you! We believe in keeping Relationships simple...No Third Party, No Middle Man, Just you and us. Uncomplicated, the way business should be.

We provide our Agents with a Strong, Secure, Direct relationship, with Applied Bank, one of the Top 40 Banks in America, rated A+ with TheStreet.com.

Our Merchant Services is Built on Trust and Integrity as demonstrated by our 5 Star Ratings and Quality Customer Service awards. At a time when you have to be sure who you can depend on...Count on us!

Safe, Secure, Financially Strong and No Middle Man.

A+
Bank Rated
Excellent Financial Strength
TheStreet.com



Bankrate.com
★★★★★
Star Rating

Contact us at 1-866-941-3922 (press option 1)

**The
Applied
Connection™**
Where Experience and Expertise Come Together

www.appliedconnection.com

Legislation from page 1

Counsel for the National Retail Federation, said in a speech at the annual meeting of the National Association of Attorneys General held in Washington. "Rising interchange has caused the same thing to happen in the credit card market."

Interchange under fire

Duncan and representatives of several other retailer trade groups turned up the rhetoric a notch or two on March 30, announcing a grassroots campaign to push for congressional action on interchange.

The groups, operating under auspices of the Merchants Payments Coalition, are running radio, television, Internet and print ads in the districts of eight members of the House Financial Services Committee whom the groups hope will take up their cause with the committee.

"We don't think we can fix the economic crisis without addressing the incentives behind irresponsible credit card lending by reforming the interchange fee system

and addressing this unfair burden," said Hank Armour, Chief Executive Officer at the National Association of Convenience Stores. And he told reporters during a conference call announcing the start of the campaign, "we'll spend what it takes" for MPC to be heard in Congress.

Tom Wenning, Executive Vice President and General Counsel with the National Grocers Association, added, "First it was subprime mortgages. Now another financial storm is on the horizon, and as Congress tries to rein in credit card fees, they could miss the biggest problem, and that is why we're launching this aggressive campaign to reform interchange fees and rules."

Also participating on that conference call was Scott Hartman, President and CEO of Rutters Farm Stores, which operates 50 convenience stores in central Pennsylvania. "I'm mad as hell," Hartman told reporters, adding that his firm paid \$4.6 million in credit card fees last year alone.

The Financial Services Subcommittee on Financial Institutions and Consumer Credit scheduled a vote for April 1, 2009, on HR 627. Maloney's proposal differs from Dodd's legislation in several key respects; most notably, HR 627 makes no mention of interchange.

The MPC hasn't been specific about the changes it wants to see, although those members on the March 30 call offered a few ideas, for example, letting an MPC-like group negotiate interchange on behalf of members directly with Visa Inc. and MasterCard Worldwide.

"This is a grass-roots campaign to let everyone know just how expensive these cards are [for retailers to accept] and to see if we can get some kind of reform," Duncan said.

Apparently, attaching an interchange amendment to Maloney's bill isn't a viable option. According to at least one Capitol Hill staffer, House rules do not allow for the legislative add-ons not considered germane to the primary topic; interchange is not germane to HR 627, the staffer said.

David Goch, a partner in the Washington, D.C., law firm Webster, Chamberlain & Bean and General Counsel for the Electronic Transactions Association, conceded that while legislation addressing interchange could be enacted in the current Congress, he doesn't think it will happen.

"Legislation is possible, but I think the industry is being very responsive" to retailers' concerns, Goch said. "I think Congress is willing to step back and give the [involved] parties an oppor-

Even politicians have PCI problems

Ensuring the integrity of card payments and related information has been a legislative issue for years; now it's become an issue for Sen. Norm Coleman, R-Minn. Coleman has been locked in legal battles with one-time comedian and liberal commentator Al Franken over Coleman's U.S. Senate seat, which Franken appears to have won by a very slim margin in the November 2008 election.


Coleman made headlines in early March 2009 when his campaign alleged its Web site had been breached two months earlier and that stolen confidential donor data was circulating on the Web.

However, Adria Richards, a Minneapolis-based information technology consultant, asserts the site was never hacked. Richards claims that in the process of researching the alleged breach she found a database listing campaign donors who used credit cards for online donations. Included in the database, which she said was readily accessible to someone who understood basic Web design, were truncated card numbers.

According to several data security experts, access to cardholder information is a clear violation of Minnesota's data security law, considered among the strictest state laws in the nation.

That law requires any organization conducting business in Minnesota that suspects a breach of unencrypted personal customer data to notify those individuals "in the most expedient time possible and without unreasonable delay." The Coleman campaign never notified donors until March of a breach it said it discovered in January.

Coleman is no stranger to data security issues. In 2007, he authored legislation proposing timely notifications for breaches involving federal agency databases. That bill, the Federal Agency Data Protection Act, never made it to the Senate floor.

Richards (who blogs on the Web site www.butyoureagirl.com) said the Coleman Web site gaff isn't uncommon. "This is not an isolated situation," she insisted during an interview on *The Rachel Maddow Show* on MSNBC. 



SCARED?

Are you feeling those bonuses bite back?

Are all your eggs in one basket?

Tough questions for tough times...

Kiss: We keep it real so should you!

- No free terminals
- No up front bonus
- No claw backs
- No jokes

RESIDUALS

The one true thing you can count on.

Call us to design a Real program for you

Pinnacle Processing Group

Contact: Todd Banchemo
200 W. Mercer St. Ste 504
Seattle, WA 98119
877-850-7309 Ext. 0402
206-436-0510

Registered Agent of Merrick Bank of South Jordan Uta

tunity to deal with it." The ETA isn't taking any chances, however. In an e-mail alert sent on the same day as MPC's press conference, Carla Balakgie, ETA's CEO, called on members to contact their representatives in Congress "for a showing of grass-roots support of the ETA's position to leave interchange alone."

FTC power grab

In other legislative news, the Federal Trade Commission has delivered a wish list to Congress, requesting additional consumer protection rule-making and enforcement powers.

In statements to the House Subcommittee on Commerce, Trade and Consumer Protection, FTC Chairman Jon Liebowitz said the agency is determined to take a tough stand against those who bilk consumers with bogus credit schemes, especially in the current economy.

The FTC is responsible for enforcing both consumer protection and fair competition laws. Its consumer protection mission includes oversight of the consumer credit activities of nonbank financial services companies.

It takes its marching orders from the Electronic Funds Transfer Act, the Fair Credit Billing Act, Fair Debt Collection Practices Act, the Truth in Lending Act and the Unlawful Internet Gambling Enforcement Act, among other key consumer protection laws.

The FTC reported it has taken action on more than 70 consumer protection cases involving financial services companies over the past five years.

The FTC's Competition Bureau investigates and initiates legal proceedings against anti-competitive business practices. In this capacity, the commission can impose fines, restrict activities and even close down companies found to be egregiously violating anti-trust and fair competition laws.

"Given the current state of the economy and consumers' financial situation, the FTC has increased its emphasis on protecting consumers" from predatory lenders and other illegal credit practices, Liebowitz said. "The FTC's future law enforcement efforts will continue to focus on protecting consumers in financial distress from illegal harmful practices."

Liebowitz urged lawmakers to add more teeth to certain laws, such as allowing the FTC to impose civil penalties for unfair and deceptive business practices.

"To be effective in doing more to protect consumers, the commission will need more resources," he said in prepared testimony.

Regarding the Payment Card Industry (PCI) Data Security Standard (DSS), Rep. Bennie G. Thompson, D-Miss., Chairman of the House Committee on Homeland Security, said, "The essential flaw with the PCI Standards is that it allows companies to check boxes, but not necessarily be secure. Checking boxes makes it easier to assess compliance with a Standard. But compliance does not equal security."

The hearing, which took place on March 31, also featured testimony from executives of Visa, the PCI Security Standards Council, the Department of Justice and the NRF. The NRF blasted PCI for being "onerous, confusing and constantly changing."

David Hogan, Senior Vice President and Chief Information Officer at the NRF, said that if the card companies were serious about reducing card data thefts, they should make it so there's never any need for retailers to keep card numbers.

Visa and MasterCard chargeback rules, which require merchants to produce receipts for disputed transactions, make it so that's not possible, he added.

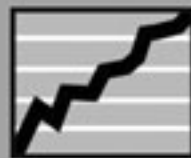
The True Cost Program

Are you looking for a
"True Cost" Revenue
Program with an
incredible split?



If Yes, Call!
888-MERCHANT

612 Wheelers Farm Road
Milford, CT 06460
Tel: 888-637-2426 ext. 227
Fax: 203-882-8875



BCD

BankCardDepot

www.bankcarddepot.com

Bank Card Depot is a registered ISO and MSP of HSBC Bank, USA, National Association, Buffalo, NY

CoverStory

Data breach legislation not a priority

Data security continues to grab headlines, but not much congressional attention. Washington insiders suggest that absent a spate of serious breaches, data security and related legislation are less likely to be addressed now than during the last Congress.

Goch, the ETA's General Counsel, agrees. "I think there's just too much on Congress' plate," he said, and added the one wild card is the FTC. The new chairman is seen as vocally pro-consumer, and if problems with data breaches get out of hand, he might use the agency's consumer protection mandate to take action. That, in turn, might force the hand of Congress, Goch noted.

The FTC has authority over data breach cases under several statutes, including the Identity Theft Assumption and Deterrence Act of 1998. In February, the FTC disclosed the settlement of a civil complaint against an online electronics company, Compgeeks, which was breached, compromising data of "hundreds of consumers."

Ads push lawmakers to act

The Merchants Payments Coalition has a grassroots effort underway to spur Congress to act on legislation to reform interchange. The group is purchasing ad space on television, radio, the Internet and print media in the congressional districts of eight newly elected members of the House Financial Services Committee.

These districts include thousands of merchants who are now being called to action by their association representatives, the MPC claims. One 30-second television ad depicts a domino-like array of credit cards and equates interchange with predatory lending before calling on viewers to contact their representatives in Congress to urge action on interchange. The Electronic Transactions Association sprang into action as soon as the ads began airing, alerting members by e-mail of upcoming committee votes on credit card legislation in the House and Senate and urging them to e-mail elected officials in the two chambers to leave interchange alone.

The eight House members MPC is targeting with ads are:

- Rep. Shelley Moore Capito, R-W.Va.
- Rep. Travis Childers, D-Miss.
- Rep. Bill Foster, D-Ill.
- Rep. Jim Gerlach, R-Pa.
- Rep. Jim Himes, D-Conn.
- Rep. Paul Hodes, D-N.H.
- Rep. Dan Maffei, D-N.Y.
- Rep. Walt Minnick, D-Idaho

How do I select a company who can provide the best Remote Deposit Capture Service for my clients?

EZ.

Turn to EZCheck®. With it's unique EZDeposit Service, you can offer any prospect a complete turnkey remote deposit capture solution.

- ✓ Unlimited markets, prospects and residual opportunities
- ✓ All check types can be processed
- ✓ Web based service with imager
- ✓ EZ pricing, EZ paperwork, EZ set-up

Let EZCheck® show you how EZDeposit can help you expand sales.

Call EZCheck® today at 1-800-797-5302, ext. 3313

or email ezsales@ezchk.com.

EZ
EZCheck™

www.ezchk.com

© 2008 EZCheck. All rights reserved.

Don't go broke. Go Global.



- **\$90 Commission**

AND

- **Monthly Residuals**

(You receive 100% above buy rates!)

Check Guarantee – 1% rate / \$0.10 trans / \$5 mo/fee / \$10 mo/min

Check Conversion – 1% / \$0.20 / \$5 mo/fee / \$10 mo/min

ARC 90-Day In-House Finance – 1.3% / \$0.20 / \$5 mo/fee / \$10 mo/min

Payroll Guarantee – 0.6% / \$0.10 / \$5 mo/fee / \$10 mo/min

Other commission/residual plans and services available.

Sales training and marketing materials available!

GLOBAL

CHECK

Visit us at www.GLOBALCHECK.com

or call 800-988-6221



USAePay
PCI Certified Payment Gateway
Verified by MasterCard
VISA

**Business. Anywhere,
Anytime with USAePay**

*...Where Business Is Done
in Real Time...*

Solutions For:

- » **eCommerce/Mo/To**
- » **Retail Certified**
- » **Check Processing**
- » **Mobile Processing**
- » **Integrated Terminals - Exadigm**
- » **QuickBooks®**
- » **Multi-Currency Processing**
- » **Satisfaction Guarantee Program**
- » **USAePay Customer Database**
- » **Small to Enterprise Merchants**

1-866-490-0042
www.usaepay.com
resellers@usaepay.com

At least one member of the FTC, J. Thomas Rosch, has gone on the record in support of better arming the commission to fight cyber-crimes. In remarks to the American Bar Association in 2007, Rosch (whose term as a Commissioner expires in 2012) complained the FTC's legal powers aren't sufficient in the Internet age. "[O]ur standard remedies for deceptive and unfair practices – namely consumer redress or a disgorgement order – are frequently impractical," he said.

Meanwhile, a group of senators, led by Sen. Bill Nelson, D-Fla., is planning a bill that calls for a federal cyber-security czar and mandatory threat assessments of "critical" public and private networks by the Department of Homeland Security. They revealed this on March 20 after several senators discovered their office computers had been hacked by foreign invaders, possibly Chinese nationals, Nelson's office said.

As of press time, however, only two data breach bills were pending: SB 139, the Data Breach Notification Act, introduced in January 2009 by Sen. Diane Feinstein, D-Calif., and HR 122, Protecting the Privacy of Social Security Numbers Act of 2009, introduced by Rep. Rodney Frelinghuysen, R-N.J.

SB 139 bill does not mention a cyber-security czar or mandatory threat assessments, and as of press time, no other senators had signed on as co-sponsors. HR 122 has four co-sponsors; it deals exclusively with breaches involving Social Security numbers.

States' data breach laws

Advocates of federal data breach legislation argue that a uniform federal statute is preferable to state-by-state legislation. At least 44 states have enacted laws detailing requirements for notifying customers affected by breaches involving personal customer and transaction data, but there is insufficient uniformity, according to many experts.

For example, many states have laws requiring card issuers to notify cardholders of suspected breaches, but at least one state, Minnesota, requires breached organizations to issue such notifications. Similar requirements have also been proposed in Texas and California, according to Jill Miller, an attorney with the Southfield, Mich., law firm of Jaffe, Raitt, Heuer & Weiss P.C.

A legislative update appearing on the ETA's Web site (www.electran.org) notes lawmakers in New York are poised to consider the Electronic Fund Transfer Privacy Act, which addresses financial data privacy protection. Lawmakers in Washington State have bills before them that would make companies responsible for credit and debit card data breaches liable for the resulting costs to bank card issuers. In addition, the ETA notes bills pending in the New Jersey legislature that would expand liability for data breaches. ■

Sign Up **FREE**
today!

100% FREE
Processing
until 2010!



Stand out in the crowd.

PaymentsGateway offers resellers key advantages to gain that competitive edge over other solutions found in today's marketplace.

Our solutions allow you to break in to new industries, and target merchants you never have before.

Our highly customizable services teamed with dedicated sales and service professionals provide the tools you need to succeed.

Your Gateway to the most advanced All-in-One payments solution on the market is just a click away.

- ◆ Instant Online Enrollment
- ◆ PCI Certified
- ◆ Works with all Major Processors
- ◆ Customized Branding
- ◆ Personalized Service
- ◆ Compatible with Most Major Carts
- ◆ Free Recurring Transaction Manager

Featuring our innovative VirtualTerminal™ which utilizes the latest in **Web 2.0 Technologies**.

866.571.0800

www.paymentsgateway.com

sales@paymentsgateway.com



Education

StreetSmartsSM

Proudly presented by



Who are you?

By Jon Perry and Vanessa Lang

888QuikRate.com

Editor's note: This is the first article Jon Perry and Vanessa Lang have written as our 2009 – 2010 Street Smarts authors. Throughout the coming year, they will be posting questions to readers of The Green Sheet on GS Online's MLS Forum. We hope their ideas stimulate many lively discussions that lead to informative, inspiring articles in the months ahead.

Writing the Street Smarts column for *The Green Sheet* is a unique distinction and privilege. While we may not have decades of experience in the merchant services industry, we do have significant experience with corporate America.

We have applied the concepts we learned in that arena to our company, and our goal over the next 12 months is to share with you our unique experience and skills.

We'll start by telling you what led us to the payments industry and why we have become committed, active professionals in this sphere.

Corporate meltdown

In April 2005, Jon became Vice President of Sales and Marketing for a manufacturing company in Fort Worth, Texas. Less than a year later, the company's Chief Executive Officer was indicted for fraud, and the company was collapsing. It was the second time this had happened to Jon; he had also worked for a large telecommunications company that had folded, and its CEO was convicted for fraud as well.

Vanessa was an industrial engineer at the same company. She worked in Jon's sales support team, helping win business with large military aircraft manufacturers.

Education index

Jeff Fortney	76
Christian Murray	78
Tim Cranny	80
Daniel Wadleigh	84

Hoping the company would survive through new, top-line revenue, we worked six months in Mexico on North American Free Trade Association manufacturing projects. In August 2005, we were working on military projects at the Air Force Logistics Center in Warner Robins, Georgia.

Jon received a message that all corporate executives were to be on a conference call at 1 p.m. They were notified the CEO was being fired, and the company would probably not make it.

Jon vividly remembers lying in bed, looking up at the ceiling and wishing fervently to find a career he could do with integrity and enjoy for the rest of his life. Five months later 888QuikRate Merchant Services was born.

Merchant Services was Vanessa's idea. She had found a company in California that promised something akin to cash falling from the sky. It provided two weeks of training if we funded the trip ourselves. Jon had unused hotel miles and had never seen America's deserts; a road trip from Fort Worth to California sounded like fun.

A decisive journey

We set off in January 2006, and our lives were forever changed. Doubting friends and family thought it foolish to forgo hefty salaries, perks and benefits for an endeavor

3.5¢*
Dial-Up Authorization
Cost

2.5¢*
IP Authorization
Cost

**The Road to
Success**



*There really is no asterisk.
We just included it to make
the competition feel better.
These costs are available to
every new merchant, with no
minimum requirements
or restrictions.

-
- A laptop computer is open, displaying a list of four benefits on its screen. Each benefit is preceded by a small icon of a hand holding a check. The background of the laptop screen is white with black text.
- EARN MORE**
 - CLOSE MORE DEALS**
 - PARTNER WITH A PROVEN
INDUSTRY LEADER**
 - RECEIVE WORLD CLASS
SUPPORT**

OK Money Tree...What's in it for me ?

Simple - more money. Close more accounts with our low pricing and optional terminal placement programs. Earn more with our lower costs. Get more done by relying on our sales support team.

VISIT
www.moneytreerewards.com
or call

800.582.2502 ext 2 TODAY!



Money Tree Merchant Services (MTS) is a registered ISO/MSP for HSBC Bank USA, National Association, Buffalo, NY.

StreetSmarts

that guaranteed neither income nor success. We were undeterred.

The two weeks' training consisted of analyzing statements to determine maximum lease amounts; hours were devoted to a canned pitch that showed how to cut out the middleman. In the back room an arsenal of employees cold-called from telephone books and business cards. The whole experience was eye opening, but something did not sit right with us.

On our way back to Fort Worth, we talked, shared and strategized. We wondered how the merchant services company could ask us to lease merchant terminals worth only \$300 for \$149 per month for four years. While we could see the industry's potential, our conundrum was balancing monetary rewards with our integrity in the community.

We decided this was not the right model for placing business and spent the next two weeks interviewing sales organizations to determine where to send our merchant accounts. We settled on Humboldt Merchant Services, a decision we have never regretted.

People like Ken Mustante and Xavier Ayala of Humboldt were not just caring and honest, but they were also

great mentors for a newbie couple trying to find our niche in life.

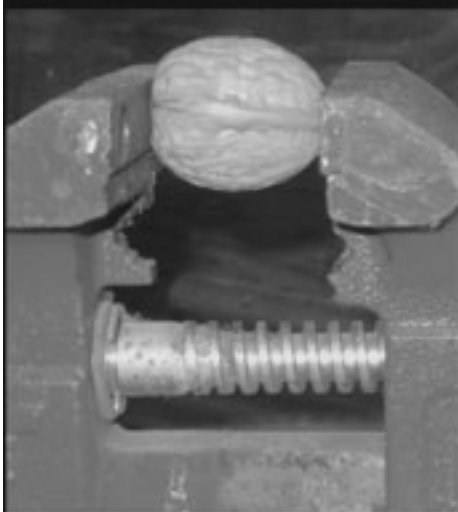
Over the next two months we negotiated leasing contracts, check services, Internet gateways and gift cards. Our goal was to be niche celebrities. A niche celebrity is the go-to person for a particular product or service in a specific geographical area.

We aimed to become the go-to people in our virtual and geographic circles. We decided to build locally, then globally.

Vanessa took the lead in writing and editing the business plan. Jon worked strategy. We were in business only three months when we won our first contract with a community bank to provide all of its merchant services. We later learned our proposal was the only one submitted that wasn't boilerplate, and we had unseated the fifth largest payment processor.

In March 2007, after being in business slightly more than one year, we had the honor of being named Small Business of the Year by our local newspaper, *The Star Telegram*. The award provided us with \$10,000 in free advertising. We were now on our way to becoming niche celebrities.

Economy Got Your Nut in a Vise?



Call U.S. Merchant Systems
for details:



800.655.8767 x2171

Let USMS™ Provide the Economic Stimulus To Loosen It's Grip!

In every down economy there's an opportunity for those with the vision to see the possibilities.

Anyone can offer free terminals, low rates, and signing bonuses- we do it too! That won't increase your sales and income in today's market- but we offer the following that will:

- LET'S BUILD YOUR OFFICE TOGETHER!
Down line rep recruiting, ads and our incredible USMS University™ training system.
- Strong attention to the needs of your merchants-
AVOID ATTRITION WITH USMS!
- FREE access to our Salesforce CRM.
- Several cash advance options
- Proprietary POS System: We pass the savings on to you!
- Earn lifetime residuals on agents working for you!

At U.S. Merchant Systems we're not just another ISO- We're Your Partner for Growth!

**USMS-PAYING RESIDUALS ACCURATELY & ON TIME
FOR MORE THAN 16 YEARS.**

SOME LEAD OTHERS FOLLOW

Our top-selling Partners lead the way in building portfolios, and we lead the way in keeping them competitive. Cynergy Data Partners enjoy these revenue-enhancing advantages:

- **VIMAS®**: a true single-point-of-entry tool for boarding merchants. It also provides easy online management for you and your merchants. While you're overseeing accounts and residuals, merchants can track their daily transactions, deposits, chargebacks and retrievals.
- **V+ Messaging™**: a feature of VIMAS that allows merchants to receive account updates via text and email messages
- Assistance with marketing programs
- Relationship management support
- Many more programs and solutions aimed at growing your business

WE'RE REDEFINING THE INDUSTRY. JOIN US TODAY.

Give your merchants the processor they deserve. Call or email us today.

Paul Oswald, Vice President of Third-Party Acquiring (800) 933-0064 ext.1177; paulo@cynergydata.com

George Malesky, Director of ISO Recruitment (800) 933-0064 ext.5936; georgem@cynergydata.com

www.cynergydata.com

CYNERGY DATA



StreetSmarts

Many rewards

Looking back over the past three years, we can honestly say we have *never* had more fun. We have balanced business with personal life. And after four years of working together, we married this past summer.

Our success has stemmed from leveraging our strengths, not working on our weaknesses. Vanessa's strong suit as an industrial engineer is analysis and cost modeling. Jon's strength is strategy and marketing. Together, we bring the best each of us as individuals can offer for the common good of our company.

We both serve on nonprofit boards. Vanessa is on the Board of Directors for the Northwest Chamber of Commerce. Jon is the Board Secretary for Partnership for Stronger Communities, whose objective is "working together to eliminate poverty in Tarrant County."

We are active in five chambers of commerce. Together, we teach electronic payment basics to business start-ups through a program we partially sponsor that is funded by the city of Fort Worth.

We give of our time and money to local nonprofits focused on giving back to the community, and it has come back to us tenfold.

Borrow Against Your Residuals

We also buy portfolios.

- Private Party (No Red Tape)
- Close Transactions in as few as 5 Days
- We Don't Switch Merchants from Existing Processors
- We Buy Portfolios & Make Loans
- We Purchase Small & Large Portfolios



Call Darrin Ginsberg
949.200.7474

portfolio@buyresiduals.com
buyresiduals.com

The preceding story shares information about us and contains hints regarding how we have been successful. We have created a business that is 100 percent referral- and Internet-based. We have never cold-called to obtain business.

Five tips for you

If you are a merchant level salesperson hitting the street, these five quick tips will allow you to stand out against competitors big and small:

1. Create a clear marketing message. Not everyone who accepts credit cards is your prospect. Wal-Mart Stores Inc. doesn't sell clothes to Nordstrom customers and vice versa. Focus on a message in key target areas, locally first. Refine your message as you identify pitfalls, and then position yourself with the tools to take it global.
2. Identify and transcribe your unique differentiators. Not *everyone* can have the lowest rates out there – although people throw that phrase around all the time. And "lowest rates" is not a differentiator. Jon once had an e-mail conversation with a sales agent who said his company's differentiators were:

- The best price
- The best service
- Integrity in the marketplace
- Full disclosure

Jon commented to the agent that the word he thought of upon reading the list was platitude, a trite or meaningless phrase. He asked whether another company could claim the same traits and characteristics as those the sales agent had listed.

The agent said that they could be claimed by any number of companies and realized the list contained platitudes, not differentiators.

Once you have a list of differentiators, test them by replacing your name with competitors' names. Attributes that competitors can claim are not differentiators and should be removed.

Stay away from platitudes. No one cares how long you have been in business or if you are the cheapest or the best merchant service provider.

3. Keep learning. When Jon was the Vice President and General Manager for a large Midwestern e-commerce company, his director of sales wanted to hire a salesperson Jon didn't think was qualified. Jon pointed out that the candidate didn't have 10 years of real sales experience; he had 10 years of doing the same thing year after year.

True salespeople are always learning and making

Approval Rates Down? Call for Help!

- Use Your Declined Application
- Reap The Benefits Of Our Broad Underwriting
- Use Your Rates
- Increase Your Profits
- Keep Merchants from Competitors
- Retain Sales Reps
- Multiple Processing Platforms
- Petroleum including Wright and Voyager

Merchants' Choice Card Services, a Leader in Secondary Processing
Call Larry Jones at 1-800-478-9367 ext 5

Merchants' Choice Card Services is a registered ISO/MSP of Woodforest National Bank

StreetSmarts

mistakes. They never feel complacent and are constantly looking for new goals and ways to serve their customers.

4. Dig deep. Become an expert in an area that captures your imagination, and exhaust every possible market in that niche. Most companies are shallow and wide rather than narrow and deep. Merchants appreciate targeted proposals geared toward solving problems they know you have solved for others.

5. You might be small now, but you don't have to look small. Establish or revamp your Web site to be clean, crisp and informative about what truly differentiates you from others selling merchant services.

And make sure you are not using an AOL, Yahoo or similar type of e-mail account. Brand your business every time you send an e-mail.

6. Get involved. We are *active* members in a few select local chambers. We stress the word active because chambers take time to produce results. We have found this a great venue for identifying community banks that can benefit from a referral relationship with us.

Sometimes money is not the only transactional medium. We will close with a story that made a huge impact when

we started our business. A neighbor asked for help selling his house. It wasn't something we wanted to do, but out of friendship, we did it anyway.

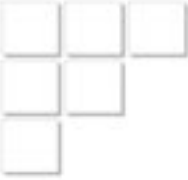

We created a Web site for his house with details and pictures. We placed the advertisement in the local paper, including the hyperlink to his waterfront home. His house sold in just three days. Yes, he was lucky and so were we. He asked what he owed us.

Instead of money, we asked for three solid referrals of businesses that could use our merchant services. He gladly went out looking and came back with leads for our first community bank relationship and two of our most profitable customers.

What we received in those three referrals was worth far more than any one-time compensation could have provided.

We'll be back in two weeks. 📧

Jon Perry and Vanessa Lang are the owners of 888QuikRate.com, an ISO based in Ft. Worth, Texas, that was named Small Business of the Year by the local newspaper, The Star Telegram. Contact Jon and Vanessa by phone at 817-857-3557 or by e-mail at jon.perry@888quikrate.com or vanessa.lang@888quikrate.com.

	<h3>Netcom Payment System</h3> <p>Netcom - United - ID CheX Join Our Team and Grow with Netcom 800-875-6680</p>	
<h4>ID CheX</h4> <p>a Netcom Payment System Company</p> <p>Identify Your Customer & Verify Their Check Homeland Security Compliant for MSBs ID Verification made easy with Biometrics Always know your customers. Age, ID and OFAC Verify With InstantID Biometric Based Storage NetCheck 21 Web Based ACH 3 Levels of Check Verification Complete Hardware Package Available Tailored programs for Processors Private label available Looking For a Few Good ISOs</p>	<h4>Netcom Check Service</h4> <h5>NetCheck 21</h5> <p>Complete ACH & BOC Service IN Store Bill PAY PPD-ARC-WEB-TEL Prepaid Debit - Check Draft Payroll Debit ReliaCHEK & AssureCHEK ACH Residual base 10 cents Generous Lifetime Residuals Territories and Trade group exclusives High Risk ACH</p> <p>All of these product from one processor At the best buy rates</p>	<h4>Netcom Merchant Services</h4> <p><small>is a registered ISO/MSP of RBS Citizens Bank, N.A.</small></p> <ul style="list-style-type: none"> • Residual OVER IC cost +6 cents • Lifetime Residuals • American Express ESA • All hardware and software support • Vital and RBS processing • HIGH Risk OFF Shore V/MC • Netcom buys portfolios • Regional office programs available
<p>www.idchex.net</p>	<p>www.unitedchecks.com</p>	<p>Your portfolio is safe with Netcom</p> <p>A Netcom Payment System Company</p> <p>www.netcomsouthern.com</p>

SOMETHING
BIG
IS COMING...

United Bank Card 

**Inc.
500**

2005 | 2006 | 2007



\$

\$

\$

\$

\$

YOU have the **POWER** with the most lucrative **ISO Program** available.

United Bank Card has redesigned its ISO Program to give you even more opportunities to increase earnings. Now benefit from improved bonus programs and a vast array of products and services specially tailored to create a more profitable partnership. United Bank Card has earned a reputation for consistently setting the standard in innovation and this is no exception. With these initiatives, the sky is truly the limit when it comes to increased earnings!

UP TO 70% REVENUE SPLITS!

3¢ DIAL/2¢ IP TRANSACTION FEES!

UP TO 40X BUY OUTS!

UP TO \$2,200 CONVERSION BONUSES!

PER MERCHANT - PAID WEEKLY

PLUS

Free Equipment Program
In-house Gift & Loyalty Program
Harbortouch POS Systems
Nationwide Petroleum Program
Merchant Cash Advance Program

Registered ISO/MSP Program
In-house 24.7 Customer Service
and Tech Support
Dedicated Relationship Managers
Outstanding Bonus Programs



United Bank Card, Inc. is a top 40 merchant acquirer with an impeccable reputation of excellence in the payment processing industry. UBC provides payment services to over 100,000 businesses throughout the country and processes in excess of 9 billion dollars annually. Consistently recognized for being at the forefront of innovation, our programs will continue to provide our agents with a competitive edge.

Contact United Bank Card now to find out how our dynamic programs can improve your sales performance and increase your earnings!

To learn more about United Bank Card, contact:
Brian Jones, EVP Sales and Marketing: 800-201-0461 x 136
Jonathan Brandon, National Sales Manager East: 800-201-0461 x 145
Max Sinovoi, National Sales Manager West: 800-201-0461 x 219
or log on to www.isoprogram.com for more details

United Bank Card

Education (continued)

Pull back the expense curtain

By Jeff Fortney

Clearent LLC

We have all seen the movie: Dorothy quivered with fear as she held the witch's broom before the great Wizard of Oz. She had met his conditions; now he was adding more. This scared her companions away, but she shook off her fear and stood her ground.

While Dorothy argued, Toto pulled back a curtain to reveal the so-called wizard, a simple man from Kansas who owned a hot-air balloon. She had expected to find an all-powerful being at the end of her long journey, but the truth was completely different.

Since that time, the term "pulling back the curtain" has been used to describe situations in which information is revealed that gives a true picture of what's going on behind the scenes. Doing this can pose a risk because it invites closer examination.

If done in an honest attempt to disclose facts, it can benefit relationships. When done inadvertently or due to lack of knowledge, it can result in lost sales and ruined relationships.

Perception versus reality

Fearing this, ISOs often either do not thoroughly train merchant level salespeople (MLSs) or train them selectively. In essence, the curtain between the processing partner and the salesperson remains closed.

Unfortunately, some processing providers think it's just easier to live in a world of perception rather than disclose information and facts. For them, it's easier to provide simplicity, even when simplicity paints an erroneous picture.

MLSs are told repeatedly in articles and advertisements that the best relationships are based on the per-transaction fee and revenue split. Processors recognize these two factors are influential, and they build their compensation programs around them, feeding the perception that agents can earn more revenue through lower fees and higher splits.

But this strategy actually generates more income for processors. These programs aren't about partnership. They're about growing the processors' bottom lines.

This isn't to say the advertised splits and fees are wrong, but there are so many other factors involved with processing that the true, effective rate (the actual cost) is almost always much higher.

So many variables and different ways to calculate splits exist that MLSs, once lured by these types of programs, find themselves earning much less than they originally thought they would.

Our economy is in a fragile state. Merchants are especially sensitive to their cost of sales. MLSs should have that same sensitivity when examining their current relationships.

In turn, speaking as a processor, it's time that all processors pull back the curtain. It's time to put perceptions aside and help MLSs find partnerships that truly fit their businesses – not ones MLSs mistakenly think fit them. It's time we educate our partners on all the costs of doing business.

Effective rate

Merchants and salespeople have used effective rates as a comparison for years. The question is, then, why aren't MLSs using them when comparing programs?

There is a simple process MLSs can use to compare partners. It starts with determining the effective cost per transaction. To do so, you need to convert monthly expenses into transactional costs.

Use one of your average merchants for the following exercise:

1. Determine monthly dollar volume, average ticket size and transaction count.
2. Divide all monthly fees by the total transactions to get an individual transaction expense.
3. Multiply any basis point markup (such as a bank identification number fee) by the average ticket to get a transaction expense.
4. Factor in any required annual expense as well. Divide it by 12, and then by the number of tickets in the month.
5. Factor in any batch fee (a charge for submitting a group of transactions, which is usually done daily) by the following formula: Divide your number of transactions by the number of days in the month. Then divide that by your batch fee to get a transaction cost.
6. Add the costs determined in steps two through five.

The total is your true, effective transaction expense. There is one caveat. You need to use dial-up authorization expenses, not expenses based solely on Internet Protocol (IP)-communication. Using IP expenses for calculation can result in a misleading number, as the majority of merchants are using dial connectivity.

Share analysis

The revenue share can be the most difficult to pinpoint,

but if you aren't careful you will find your perception is far from reality. You must understand how your share is determined to know your true percentage. To do this, answer these questions:


- What revenue is included in the shared revenue? Is all revenue collected from a merchant credited to the share? In many cases, certain revenues you collect are excluded from shared revenue, but your offsetting costs are included, meaning your share is effectively diluted.
- Are there minimum charges to merchants in addition to the costs on your fee schedule? Are you required to charge a minimum mid-qualified and nonqualified markup, or a minimum fee, yet do not get credit for either? This dilutes your share drastically.
- Does the partner's share come out before expenses? If the partner's share is deducted before your scheduled expenses, your percentage is drastically reduced.
- Do unrealistic conditions exist that would cause your share to negatively change? Deal count minimums, or productivity minimums, can have a

serious impact either at the beginning or even later in the relationship when your sales efforts drop in relation to your retention efforts.

- Are there minimum billings? Several programs call for a minimum monthly or annual billing, and if this amount is not met, the provider can bill for the difference.

These points are critical when determining your true share. Several shares that seem high may ultimately result in numbers below 50 percent. In reality, your true share is what you actually make – not what you perceive it to be.

It is truly up to you to analyze each processing relationship and confirm to your satisfaction that it is an honest, two-way partnership. If you evaluate how well new partners will be able to meet your specific needs, you can use this information to select the best option.

Your merchants understand their true expenses. Shouldn't you? 

Jeff Fortney is Director of Business Development with Clearent LLC. He has more than 12 years' experience in the payments industry. Contact him at jeff@clearent.com or 972-618-7340.



Are you ready to take your career to the next level?

With Electronic Merchant Systems you'll discover that while other processors make big promises, EMS has the ISO program that delivers. If you're looking for a better opportunity with a brighter future, **the choice is clear.**

The EMS Advantage

As an Agent for Electronic Merchant Systems, we'll provide you with the tools you need to increase your income and build your career. We offer one of the best ISO / Agent programs in the credit card processing industry, including:

+ Interchange + 8 cents	+ Free Starter Kits
+ Up to 80% Split Program	+ Guaranteed Fax Leasing
+ Vested Lifetime Residuals	+ Online Portfolio Management
+ Portfolio Lending / Portfolio Acquisition	+ Gift & Loyalty Programs
+ No Liability / No Risk to Agent	+ Check Guarantee Program
+ \$8,000 Signing Bonus	+ eCommerce Solutions
+ Up to \$500.00 Conversion Bonus	+ Cash Advance Programs
+ Fast Approvals	+ Income from ALL revenue streams

What are you waiting for?
Call Fred Couch at 800.726.2117
or email fcouch@emscorporate.com

800.726.2117  **electronic merchant systems**

Education (continued)

Downshifting to rev up sales

By Christian Murray

Global eTelecom Inc.

As you know, the U.S. automotive industry continues to struggle. We are seeing the signs across the country as auto dealerships, as well as recreational vehicle (RV) and boat dealers, close their doors. Cars and RVs are disappearing from once-filled display rooms and adjacent parking lots.

For ISOs and merchant level salespeople (MLSs) specializing in this sphere, the struggles of merchants in this vertical market pose real challenges and are contributing to reductions in processing volume and merchant boarding. Only time will tell where things will end up. Hopefully, we will be buying cars from Detroit's Big Three for years to come.

However, there is more than a glimpse of hope for sales professionals who cater to this market. Less revenue is coming from auto dealerships, but U.S. consumers are doing many things to save money that present other opportunities in this space.

Fewer new cars are being sold, but more people are fixing up existing vehicles, as consumers take their cars in droves to shops for repairs and preventive maintenance.

Consumer behavior is making used car dealers, service and repair shops, and automotive parts stores a substantial niche market for ISOs and MLSs to pursue. Opportunities exist among smaller, locally based automotive parts and supply businesses; some larger automotive retailers can be targeted as well. Following are a few noteworthy trends within the auto industry:

- Auto parts chain AutoZone Inc. reported earnings of \$115.9 million for the second quarter of 2009, up 9 percent from \$106.7 million for the same period in 2008.
- The Automotive Service Association reported its members' 2009 sales were up 16 percent from the same time the preceding year.
- According to *Forbes*, auto parts retailers have shown a 50 percent increase in share prices since bottoming out in November 2008.

This shift in the financial outlook for segments of the auto industry gives hope to many whose livelihoods rest in this arena. As one vertical slows, another gains momentum.

Not all automotive businesses are categorized the same way, however. Service and repair shops are distinct from

new or used car dealerships. Having a handle on the needs of these merchants can translate into a lucrative book of business.

Given the many changes within these verticals, it's important to identify products and services that will be in demand.

Check services

Check conversion and guarantee are good options. Accepting checks can be risky for merchants in this recessionary climate, but offering check guarantee eliminates the risk. Check conversion and verification for merchants who don't want guarantees is also good to offer. Consumers are using more checks than ever both because of the "float" time and limits on credit.

Be cautioned, however. The "hold check," or multiple check option, with which consumers write multiple checks for deposit in installments, can be an attractive service, but may result in chargebacks – even with separate agreements.

Consumers may not have the funds 30, 60 or 90 days after initial sales. Processors offering this service may also cancel merchants who have a high rate of check returns.

Card programs

Gift and loyalty may not be the right term to use in the automotive space. Use the phrase card programs instead. But offer the same features as gift and loyalty programs, and customize your services to particular businesses. This approach helps pique interest. Some examples are:

- A customer discount card, which provides consumers with rebates, a percentage amount off each sale, cash back and frequency rewards
- A prepaid oil change card, which provides discounts on oil changes or general services
- New customer cards, which offer \$5 to \$10 off a customer's first service

Payroll services

Another potentially lucrative service is setting up payroll programs that help reduce payroll expenses by providing prepaid Visa Inc.- or Mastercard Worldwide-branded cards to employees. Rather than having to utilize payroll services, merchants can easily pay employees via cards tied to employee bank account. Cards can be used like credit cards or for withdrawing cash from ATMs.

Cash advance

Cash advance is a viable way for businesses to keep up with demand when they are expanding or making large purchases. It's important, however, to check with cash advance providers to find out whether they approve

of the kinds of businesses you work with. Funding has tightened up for some businesses, depending on factors like credit history, business lifespan and overall credit card volume.

Text messaging services

Text messaging notification and coupon solutions can notify customers when serviced cars are ready to be picked up, for instance. They can also be used for marketing, for example, to notify members of discounts and rewards opportunities.

Merchants can also send out periodic special offers to attract repeat customers and help boost business on slower days of the week. They can also relay electronic coupons and reward balances to remind customers to visit soon.

Gear up


These are just a sampling of the many solutions available. Services that provide useful consumer data, such as purchasing habits, are desirable for merchants in this vertical as well.

For ISOs and MLs who specialize in selling to new or used car dealers, many opportunities still exist. But current

trends indicate the standard processing solutions are just a small piece of an overall strategy to attract new business.

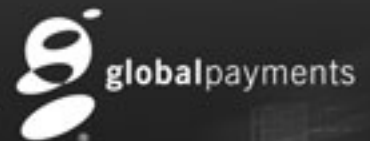
Dealers who use internal promotions and car-manufacturer incentives are on the right track, but offering auxiliary programs will assist you in closing business and separating you from others trying to gain accounts.

Dedicated payment professionals continually adapt to changing conditions and welcome innovations that fill voids in products and services. By staying educated and keeping an open mind, you can do just about anything – even in a volatile market.

Now is the time to capitalize on the trends in the auto industry. Acceptance of the economic realities is a crucial first step. Then tailor your product offerings to help merchants stay in business and increase revenues. This is the way to take your foot off the brake and step on the gas. 

Christian Murray is the Director of Business Development for Global eTelecom Inc. He has more than 12 years experience within the payments industry. GETI provides check processing and gift and loyalty solutions. For more information, visit www.checktraining.com or www.giftcardtraining.com (the sites are compatible with Internet Explorer only). You may also contact Christian directly at 877-454-3835 or cmurray@globaletelecom.com.

The Road to Success



For Global Payments' ISO customers, the Road to Success starts with us.

No matter where you are on your path, the Global Payments' ISO program has the products and services ISOs need. We offer comprehensive payment processing and support plans designed specifically to help drive sales. Plus, enjoy the safety and security of a world-class infrastructure from a trusted business with over 40 years of experience.

To get started on the Road to Success with Global Payments' ISO Program:

Call: 800-801-9552 **Email:** roadtosuccess@globalpay.com

Website: www.globaliso.globalpaymentsinc.com

Please visit us at the ETA Expo in Las Vegas! Booth 213 • April 21-23, 2009

Education (continued)

PCI versus tricky technology

By **Tim Cranny**

Panoptic Security Inc.

Use of peer-to-peer (P2P) applications like BitTorrent, Kazaa and the various instant messaging (IM) programs is growing explosively, and their impact on security can be explosive as well. ISOs, merchant level salespeople (MLSs) and merchants who think they don't have to worry about the vulnerabilities in P2P applications should sit up and take notice.

Investigators recently found detailed blueprints and electronic schematics of Marine One, the U.S. president's helicopter, on a server in Iran. This incredible security breach cut straight through multiple layers of security experts, defense contractors and government agencies. And it was caused by misuse of P2P applications.

Payment professionals who aren't concerned about this are basically saying that they, and their merchants, have better security than the President of the United States.

How did such sensitive information make its way onto an Iranian server? Someone installed a P2P file-sharing program on a computer that contained the helicopter specifications.

This made it possible for someone to access these sensitive files and transfer them to other computers. It all came down to just one careless person installing a popular P2P program available everywhere.

Another problem for PCI

Many individuals in the payments industry want to use such P2P and IM programs, too. But if the computers they use also process or store credit card information – or are connected to other computers that do – there are serious Payment Card Industry (PCI) Data Security Standard (DSS) consequences, and major security risks. Requirement 1.1.5 of the PCI DSS requires that all "services, protocols, and ports allowed" into the network be justified and documented.

This is an onerous task. It requires a detailed understanding of every application in the system and how they communicate. Keeping up with the proliferation of protocols is difficult enough for a network security professional, but it is impossible for someone without such training.

Several technical reasons exist why P2P applications can be very difficult to control.

- Hypertext Transfer Protocol (HTTP) tunneling: HTTP is an application-level protocol that has been

used on the World Wide Web since 1990. A tunnel is an intermediary program that acts as a blind relay between two connections. Almost every firewall and security solution lets Web traffic flow between computers simply because the Internet is so useful and so much a part of daily life.

The problem is that P2P applications know this and basically pretend to be Web traffic. This puts companies in a no-win situation. They have only three options:

1. Work very hard to spot the difference between typical and fake Web traffic
 2. Block both ordinary and fake traffic, thereby stopping everyone in an organization from using the Internet
 3. Allow both typical and fake traffic, which as we've already seen, causes big security headaches
- Application level encryption: Many P2P applications can "punch holes" through firewalls and other security solutions by encrypting the data being communicated.

Encryption turns the data into gibberish that can only be understood by the application at the other end of the conversation. So firewalls and so forth only see the gibberish and have trouble deciding whether to block it.

To make things more complicated, encryption is not always a danger sign. There are times when encryption is used by the "good guys" for good reasons. For example, Voice over Internet Protocol (VoIP) applications let people make super-cheap phone calls over the Internet, but these applications have to worry about eavesdropping.

Since anyone with access to a network could listen to a VoIP conversation taking place on the network, many VoIP applications encrypt their messages to stop eavesdropping. This is why many attackers are using VoIP applications to spread malware.

What to do

Given these security vulnerabilities, steps can be taken to minimize risk.

- Avoid the problem: The easiest way to be compliant with the PCI DSS is, first, if you do not need to process or store the credit card information, then don't. This single step reduces the scope of the PCI



50% or 70%

**With Large
Upfront
Bonuses!**

**More
Long-Term
Revenue!**

**Yeah,
It's That Big.**

At Reliant Processing Services, we believe you know your financial needs better than we do. That's why we offer you a choice for every customer you sign. Need more money now? Choose our 50% Program with Upfront Bonuses. Signing a client with monumental potential for increased revenue over time? Choose our 70% Revenue Sharing Program. Your client, your revenue, your choice.



**FREE
TERMINAL
PROGRAM!**

**Yours to Sell,
Lease or Give-Away!**
The choice is yours!

**Call Today And
See How Big
This Really Is!**

 **RELIANT**
PROCESSING SERVICES

(877) 650-1222 ext. 101

www.ReliantProcessingServices.com

sales@ReliantProcessingServices.com

Education

requirements for your organization dramatically. If you do store the data, ensure it is protected with encryption.

- If you can't avoid it, quarantine it: If you must process or store credit card data, then isolate the computers used for this purpose – whether they are POS or regular computers on their own networks.
- Restrict computer use: Do not allow applications that are not absolutely necessary for processing credit card information to run on computers governed by the PCI DSS.

This may mean purchasing two computers: one for credit card processing and one for everything else. It may seem like an unnecessary expense, but it is better than having an application surreptitiously transmitting credit card data. The price of a second computer will be a hundred times cheaper than the cost of a data breach.

Further steps

To deal with the danger of P2P applications, ISOs, MLSs, banks, processors and merchants should remember the following:

- PCI is only part of being secure: Even if you are fully compliant with the PCI DSS, but are running file sharing or other real-time communications application such as IM, there are security issues that you must not ignore. Simply removing these applications does not mean you are secure.


Think about the information you have on your computer: customer data, product pricing, business plans and so forth. This could easily be exposed by the misuse of any one of these applications. Therefore it is necessary to understand the applications you run in your network and what problems they may cause.

Also, many folks are sharing copyrighted data such as music files using file-sharing programs. If such files are found on your network and the copyright has been violated by illegal copying, you can be held liable even though you were not aware that such activities were occurring on your network.

- Avoid PCI problems wherever possible: The best way to deal with security problems is to avoid them. Merchants who make sure they don't store cardholder data on any of their computer systems are much safer than merchants who do. Merchants who don't store data find attaining PCI compliance a much simpler and easier process.
- Monitor your network: Establish a process that periodically analyzes your network to ensure only authorized protocols are used on your network.

Control what applications are installed on all computers in your network and restrict user access to only what they need to do their work. Not everyone requires, or should have, administrative privileges on their computers.

If you must use real-time or file-sharing protocols, do not use them on computers that would be affected by PCI DSS – meaning computers that process or store credit card information. Isolate PCI computers.

- Be vigilant: Unfortunately, it is an ongoing battle to keep up with the latest applications and their security ramifications. Applications such as IM and file sharing can be beneficial, but they also have security issues that we all must understand; we must apply the appropriate technologies and processes to control them. 

Dr. Tim Cranny is an internationally recognized security and compliance expert and is Chief Executive Officer of Panoptic Security Inc. (www.panopticsecurity.com). He speaks and writes frequently for the national and international press on compliance and technology issues. Contact him at tim.cranny@panopticsecurity.com or 801-599-3454.



BLUE BAMBOO
Mobile Merchant Solution Suite

- PED-DSS, EMV Level 1&2 compliant, PABP(PA-DSS)
- Go from mobile to retail with our modular design
- Accept credit, debit, gift, loyalty, stored value, check, and cash payments
- Process payments through terminals, laptops, PDAs and mobile phones
- Leverage existing **PCI Certified** Payment Gateways and Processors through Aircharge and Virtual Payment Solutions
- Process on all First Data platforms, TSYS, Chase Paymentech and many others
- Leverage existing PocketPOS® MIDP application (PA DSS) certified
- Blue Bamboo fully and easily supports 3rd party integrations

P25-M Configuration **H50 Configuration**

www.virtualpaymentsolutions.com (866) 685-4326
 www.aircharge.com (866) 718-2900
 www.jrps.com (877) 999-7374
 www.chargeanywhere.com (800) 211-1256
 www.paragon-services.com (800) 322-8771
PARAGON SERVICES INC.

Market Solutions: •Public Services •Events & Shows •Transportation
 •Restaurant & Hospitality •Retail & Service

Industry Solutions: •Stored Value •Loyalty •Benefits •Bank Cards
 •Value Transfer •Line Busting •Restaurant-Pay •Mobile Merchant

www.bluebamboo.com
 For more information, please contact Americas@bluebamboo.com (888) 372-9266



Total Business Transformation

Still reselling *third party* POS?

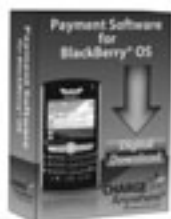
Start selling payment solutions under *your brand name* today!

- ★ Virtual Terminal
- ★ POS terminal software
- ★ Payment software for smartphones
- ★ Payment applications designed for QuickBooks® and Microsoft Windows®

PCI
SECURE!



Virtual Terminal



Payment software for BlackBerry® OS



Payment software for Windows Mobile®



Payment software for Windows®



Payment software for Point of Sale Terminals

With your branded payment solution you are no longer just a rate to your merchants.

You are an **irreplaceable** solution provider.

Transform your business today!

1.800.211.1256 x 150
sales@chargeanywhere.com

Education (continued)

Five magical questions in making sales

By Daniel Wadleigh

Marketing Consultant

Underlying every sale (or missed sale) is the value system of a particular customer. As an ISO or merchant level salesperson, it's important to understand what a prospect deems valuable about a product or service – and then appeal to that value system in your sales pitch.

Here are five magical questions for unveiling a customer's hidden value system:

1. What is the most important factor in selecting a credit card processor?
2. How do you measure the value of your processor?
3. Would you feel comfortable switching processors if a different one were up to your standards?
4. What else is important to you in a payment consultant?
5. If you made a decision to switch processors (or obtain one for the first time), what would induce the decision?

The answers to the first three questions will reveal what merchants want from a processor, the methods they use for choosing a processor and whether assurance of value is the overriding factor in making a selection.

Questions four and five are potential follow-ups that mine a little deeper if a merchant stays on the fence. For example, if your buyer answers no to question three, the next two questions might prompt him or her to reconsider by appealing further to that person's value system and asking more explicitly what would help seal the deal.

Fuel the fire

Once you've uncovered somebody's value system, it's time to attempt making a sale. Two conditions must be in place to complete a sale:

1. A merchant wants a product or service
2. A merchant is ready to pay for it

Either the merchant already has a desire or you need to illustrate one. A good way to go about this is through the use of imagery – using pictures or words to help convey

a product or service's value. For example, in selling a processing terminal to a grocery store chain whose owner values efficiency, you might have the buyer imagine the store's checkout lines moving faster, and the smiles on the faces of customers as they move briskly through.

It is unlikely that you will generate significant new business strictly from merchants with a built-in readiness to buy. In many cases, you'll have to goad merchants to buy who are lukewarm, or even cold, toward your initial offer.


Enhance value

Sometimes the final selling point is a special offer that forces a quick decision, lest your prospective customer miss out on a unique opportunity. Usually such an offer takes the form of a discount, but there are better options. Savvy merchants (and consumers) tend to distrust discounts, especially when they don't know what your markup is.

Don't sell yourself short. Learn how to add value rather than subtract it; sell the product, not the price.

And use the answers from the five magical questions to home in on a particular selling point. If a merchant says the most important factor in selecting a processor is the availability of technical help, a good offer might be: "Sign today and we'll help you design a new Web page for your company."

Effective selling often involves moving from the general to the specific. First, figure out what a client generally looks for as a buyer, and then move to the value of a specific product or service that fits the person's professed interests – relating the benefits of that product to his or her values whenever possible.

Understand your prospects, and you'll understand what will drive them to rely on you and you alone for their merchant services. By acquainting yourself with their individual attitudes and preferences, you can steer them to the right products or services and sell them in the most compelling way. 

Daniel Wadleigh is a veteran marketing consultant in the payments industry. He offers an educational program that is available on a PowerPoint presentation and designed to help ISOs elevate themselves above the competition. For more information, please call him at 512-803-0956



AgentTalkSM

He's got consultative sales down

In his payments industry career, Bill Pirtle has encountered towing company owners who believe merchant level salespeople (MLSs) are a crooked bunch. One such owner even threw a shoe at him when Pirtle mentioned what he does for a living. He finds this ironic since he's heard many a lament about questionable towing company practices. But Pirtle gives his prospects in that vertical market the benefit of the doubt as he strives to dispel their mistrust and improve their payment processes.

Pirtle, who has been in the payments industry five years, has more than a decade of retail management and cashier-training experience. He believes an agent should never mislead a merchant or an ISO and never make a promise when uncertain.

The Green Sheet: As a child, what did you want to be when you grew up?

Bill Pirtle: An astronaut – the moon launch was when I was a kid, and to this day I am intrigued when looking at the sky.

GS: When did you know you'd be able to succeed in this business?

BP: Just recently when I found nonexclusive contracts and gained flexibility in matching solutions to merchants. I never knew contracts were negotiable. I never knew some of the quirks and things of different contracts.

I work with Fast Transact Inc., so I can help merchants with electronics or Canadian businesses. Electronic Payments Inc. gets most of my business, but I also deal with NWBC LLC because of the POS systems. So the ability to work with more than one processor has just been a godsend because now, no matter what kind of customer approaches me from my business associations, I can help.

GS: What profession were you in before?

BP: I spent 10 years in retail management, most recently in operations and front-end management, training cashiers on accepting credit cards. Then I spent time in computer sales, and I had a couple of businesses.

GS: What do you like best about your career, and what's been most challenging?

BP: I like helping my merchants while making a decent living. The challenge has been in finding partners that treat both clients and me well.

GS: How has the industry changed since you started?

BP: PCI DSS – what used to be commonplace practices are now dangerous to merchants. This does help the consulting side of the business.

GS: What are you doing to ensure that your clients are compliant with the Payment Card Industry (PCI) Data Security Standard (DSS)?

BP: I am letting them know that noncompliance may result in putting them out of business. What I found is just by following the guidelines that MasterCard and Visa lay down on how to process, and by making little tweaks in your policy, you can actually eliminate many of the questions with PCI DSS.

You don't need to ask for additional information. Make sure the card is signed on the back. As you're inputting the information, you don't want to save the three digit number. If you use it for the processing, you have to shred it afterwards. Just little changes are all it takes to really be compliant and stay that way. And, most importantly, I tell them they need to be vigilant every day.

GS: Are you working as an employee or contractor for someone else, or do you own your own company?

BP: I own my own company, Merchant Processing Consulting & Training LLC, but have no employees. I became an LLC to protect myself in PCI matters. When I signed up with EPI (the first company I signed up with this year after getting back into the industry) I read on their statement that if anything happened with a breach, they would come after the agent. And then I said, "Well, I've been thinking about becoming an LLC, I'll just go ahead and do that."

As long as a breach isn't due to negligence or intentional on my part, the LLC will protect me. If anything should happen, I won't lose my house, my car, my toys.

GS: You just mentioned getting back into the industry. When did you leave and why? What brought you back?

BP: In August 2008, I pulled back over the discouragement of having my processor help me land a merchant capital deal and then not pay me the commission on it. I created my own company in September to do consulting with merchants to help them create standardized work instructions and train employees to ensure Visa and MasterCard policies are being followed and fraud prevention tools are utilized.

AgentTalk

Reading GS Online's MLS Forum brought me back to sales in December 2008, which I do in addition to consulting. I was able to find several partners I could trust. Now my company has more complete solutions for most any merchant.

GS: What is keeping you in the industry now?

BP: My drive to get everything right, and I see a lot of potential.

GS: Describe your typical work day, and tell us how many hours you put in now.

BP: Most days are meetings, phone calls and e-mails – about 10 to 14 hours per day. I participate heavily in business organizations and am busy cultivating relationships. I spend hours writing Excel spreadsheets to check, double check, and triple check numbers.

GS: Do you set personal and business goals?

BP: Since I have attention deficit disorder, dyslexia and other issues, I need to write goals and plans on a daily basis. I have a business plan written with goals on production and financials. I need to start writing more personal goals.

GS: What's been your greatest success as an agent?

BP: Setting up a small chain of auto parts stores on a processing and gift card program, along with coupon cards and Web site gift cards.

GS: What's the funniest sales experience you've ever had?

BP: Speaking to a group of towing company owners, I got hit with a lot of comments and misconceptions about the card processing industry. I finally told them it was like a novice suggesting you separate a truck cab with a broken axle from a trailer in a ditch and tow them up separately. The room laughed. No matter how bad the axle is, it still has wheels, and it will always be easier to tow the trailer up with the cab attached.

When I put it into their own words, they understood immediately. What seems like common sense is sometimes dead wrong. They wanted to photocopy the driver's license and other things that people wanted to give them.

They were concerned about getting chargebacks because customers would get their cars out of impounds with credit cards and then file an immediate chargeback on



AlphaCard

S e r v i c e s TM

0
Hold Times

0
Statement Fees

0
Transaction Fees

0
Reasons Not To Call Now!

WWW.THEALPHAEDGE.COM

1-866-253-2227

them. And what I helped them do was to set up separate companies and do debit cards only on that account. The company I was with at the time allowed a surcharge of \$10 for the transaction.

Several towing companies have asked me how to set up an account that was chargeback-proof for impounds. I set them up on debit-only accounts on those, along with a MO/TO account for the towing.

GS: How often do you check on your merchant customers? What other methods do you employ to ensure account retention?

BP: I check in every few months. I give great service, and I consult to resolve issues they may not be aware of just by keeping tabs on statements.

GS: How do you secure referrals and otherwise generate leads?

BP: I join business associations and trade associations and learn about the businesses and markets that affect them. I also pay for referrals once merchants sign and use the processing service. I make friends of Web developers and use them as referral partners. I am not opposed to using anything as long as it's honest.

I don't cold call like a lot of agents do. I join chambers of commerce and business associations, and I let the business owners know that they can come to me. Then I answer questions for them at the meetings on general procedures. And in a 24-hour period last week I had two construction companies approach me.

I wound up signing both of them and getting three companies out of that. But it's something that I just never had the knowledge of until I started reading *The Green Sheet*. I mean I'd been a subscriber of *The Green Sheet* for years before I found the Forum back in September. I've learned more about the industry itself, not the nuts and bolts like I learned in the train-

ing but in the process of how all the companies fitted together just by reading in the Forum.

GS: How do you explain interchange rates to prospects?

BP: I explain that interchange is like the wholesale price to all processors and that with interchange plus pricing, there is no incentive not to help a merchant with processing errors such as skipping address verification service.

GS: What do you do when it looks like you're on the verge of losing a sale?

We've connected all the D.O.T.S.



Deployment • Ordering • Tracking • System

- Place & Track Orders *Online*
- Repair Authorization & Status *Online*
- Management Reports/History *Online*
- Manage Your Deployments & Repairs ***ANYWHERE..ANYTIME!***

 <h3 style="background-color: black; color: white; padding: 5px; margin: 0;">Equipment</h3> <p style="margin: 0;">All Major Manufacturers Terminals • Wireless • Pin Pads Multi-Lane • Check Scanning</p>	 <h3 style="background-color: black; color: white; padding: 5px; margin: 0;">Deployments</h3> <p style="margin: 0;">Downloads • Drop Shipments Welcome Kits • Supplies Custom Configurations</p>	 <h3 style="background-color: black; color: white; padding: 5px; margin: 0;">Service</h3> <p style="margin: 0;">On-Line Ordering • Encryptions Certified Repairs • Exchanges Same Day Shipping</p>
     		



(877) 999-7374

5249 N. Hiatus Road
Sunrise, FL 33351

www.jrposdepot.com

AgentTalk

BP: Back off once given all information. One customer signed up one year after my initial contact because I did not burn the bridge.

GS: What types of merchants do you prefer to work with?

BP: Start-ups, contractors, business organizations, chambers of commerce and a few I don't want to share. I can lead with my consulting and not "I can save you money."

GS: How do you get merchants to see you as a consultant rather than just another salesperson?

BP: I take an interest in their business, and I am patient. I let them see that I understand their problems and can give some creative solutions.

GS: What is your approach to terminal placement? Do you lease them, place them for free or do some combination of the two?

BP: I do not like to lease for smaller businesses. I am in the process of creating a rent-to-own purchase plan on terminals.

GS: What is your experience with agent training?

BP: Ten days of training with ABN AMRO Merchant Services. AAMS, shared an office with Bank of America Merchant Services. ... Bank of America was the company behind Visa 30 years ago, so I felt it was the best training possible on the Visa side because they taught me all about inter-

change, and they taught me bank card procedures.

It was one of the best types of training I could have received. I mean sales training would have been fantastic, but I had the nuts and bolts of the industry, which has helped.

GS: What would an ideal training program consist of?

BP: Ethics, education on interchange, preferred pricing structures and how to get your merchants to become and remain compliant with PCI DSS.

GS: How should an MLS go about choosing an ISO partner?

BP: Ask people on *The Green Sheet* forums. This is how I found my partners. I also look for nonexclusive agreements, pricing flexibility and residuals that are vested immediately.

GS: How has *The Green Sheet* helped you?

BP: I mentioned it helped me to find the partners I have today. It is also a way to network and bounce ideas off other forum members. The MLS Forum is an excellent source of information and allows me to see and engage other agents and ISOs.

GS: If you could change anything about this business, what would it be?

BP: Honestly, I would eliminate early termination fees. Keep your customers by providing the best service at a fair, honest price.

GS: Looking back, would you have done anything differently in your career?

BP: I would have avoided offering free equipment and started reading *The Green Sheet* earlier.

GS: What's your greatest dream?

BP: Being happy in all facets of my life and balancing a great work life with a great personal life. ☑

Cash advances at rates so low, they are actually loans!

From \$150,000
to \$3 Million

Rates starting at 6%

Big money, low rates,
high commissions



CREDIT CASH

Working capital for companies
that accept credit cards

212-688-2600
www.Credit-Cash.com

A minimum of \$200,000 a month in
credit card sales is required

NewProducts

Instant mobile processing

Product: MerchantWare Mobile

Company: Merchant Warehouse

The introduction of MerchantWare Mobile may help usher in one of the payments industry's most anticipated developments: the use of mobile phones in POS payments. The new service from Merchant Warehouse does indeed make use of cell phones in such transactions.

However, in this case, phones are being used not to make payments, but to process them.

Instant merchant

The system processes both credit and debit cards and can be downloaded free from the iTunes store on any iPhone.

"Merchants can download this for free, set up a merchant account and be processing transactions in a matter of a few minutes," said Henry Helgeson, President and co-Chief Executive Officer of Merchant Warehouse.

A merchant uses MerchantWare Mobile just as he or she would a conventional nonswipe wireless terminal, using the phone's keys to punch in a client's card information and send it over a wireless network.

The consumer data – which is encrypted under the same secure sockets layer security system commonly used in transmitting other sensitive

information over the Internet – runs through a transaction server belonging to Merchant Warehouse, where it's also eventually stored.

A transaction approval or disapproval is sent back to the phone along with a mobile receipt, which merchants can print out by connecting a small electronic printer to the phone being used as a terminal.

"I would think this is what we're going to see mobile merchants using more and more, rather than carrying a separate [payment terminal] that has a cost associated with it," Helgeson said.

Helgeson added that while the product is for all mobile merchants, it will especially target those who do "any emergency type of repair," like contractors, tow truck drivers, plumbers and locksmiths.


"It will make sense for them to have something like this where they can key in the transaction and get approval right there on the spot, before they leave the customer's location," he said.

Lower transaction volumes

He added that the service, while free to install, is economical only for merchants with lower-end transaction volumes, given the higher interchange rates attached over keyed transactions compared to card swipes. On the other hand, the wireless fees Merchant Warehouse normally charges mobile merchants are already covered by the iPhone.

"At a certain point, there's going to be a breaking point where a keyed transaction is going to cost you more than a swiped transaction," he said. "If you're going to do a million dollars a month, that merchant would probably get some kind of swipe product."

He said MerchantWare Mobile – which is in limited release and will be made available to the wider public later this month – is the first in a line of similar services Merchant Warehouse plans to offer, including ones on BlackBerry smartphones.

"To carry [a conventional payment terminal] around and have this extra piece of equipment that you have to worry about ... and keeping it in your truck versus just having your cell phone to process these transactions, I think we're going to see a migration away from wireless devices into these handheld PDA devices," Helgeson said. 

Merchant Warehouse

800-419-0947

www.merchantwarehouse.com



Screen shot of payment platform on the iPhone

NewProducts

A most literate check reader

Product: CheckUltra

Company: Parascript LLC

As the use of virtual checks continues to proliferate, digital image readers are themselves undergoing more quality analysis. Image analysis technology company Parascript LLC has as one of its central missions making digital check readers that are as precise as possible.

"Our [check reading] product has been evolving for years, starting from just minimal functionality ... to expanding the functionality of the product to the point it was able to read nearly all the fields on the check," said Tatyana Vazioulina, Senior Product Marketing Manager for Parascript.

Ten percent higher read rate

The company's newest rollout is a check reader called CheckUltra, and its manufacturers said it has a recognition rate that is 10 percent higher than standard readers; they claim that improvement gives the product, on aver-

age, about an 80 to 90 percent "read rate," which means fewer checks to scrutinize.

"We're saying that whatever product you have, using our product, CheckUltra, the [recognition rate] can be improved by ten points," said Yuri Prizemin, Director of Product Marketing, Parascript.

CheckUltra, released in February 2009, comes on the heels of CheckPlus, another touted image reader from Parascript.

The difference, according to the company, is that while CheckPlus was designed for a wide range of applications, CheckUltra homes in on a select few – paid on delivery, remittance and remote deposit capture – with extreme attention to detail.

"To continue developing CheckPlus and achieve high results with courtesy and legal amount recognition was nearly impossible because the product became too bulky," Vazioulina said.

"So we decided to go in a different direction with it, and invest in a new product based on new technology, new algorithms – it's absolutely different architecturally – and we came up with a new product which is focused on just

New Compatible Equipment. New Opportunities.



Magtek Excella

- High Volume / High Capacity Imager
- Ideal for Check 21 Remote



GETI Virtual Terminal

- Supports all check programs such as Guarantee, Electronic Conversion, Check 21, Recurring ACH Debit, and Checks-By-Phone

Hypercom T4100

- IP Compatibility
- Gift Card Compatibility



Hypercom T4200

- IP Compatibility
- Gift Card Compatibility



RDM Synergy II

- All-in-One bankcard and check imager
- Supports all check programs including Check 21+ at Point of Sale

Come see our full compatibility listings

877-454-3835

Sales@GlobaleTelecom.com

www.CheckTraining.com

www.GiftCardTraining.com

Global eTelecom, Inc.



Features of the **CheckUltra** include:

- 80 to 90 percent average read rate
- 10 percent higher read rate than standard check readers
- Multiple algorithmic approaches to reading checks
- Efficient reader that makes check info available right away
- Specializes in paid on delivery, remittance and remote deposit capture applications

a few applications ... which are pretty demanding applications right now and require more and more accuracy," he added.

Algorithmic complexity

According to Vazioulina, CheckUltra is designed with "multiple algorithmic approaches" that provide different ways of scanning the document in order to pick up on a range of possible flaws.

"It may be compared to different experts who are looking at the image and making different conclusions about what is written on it," she said.

Prizemin said any number of things can go wrong

with a check, from missing information to sloppy writing to poor quality of the document itself. And while he said that word of a bad check could take any length of time to get back to a merchant (depending on the processor it runs through), he added that "our application makes the information available right away."

"If it's deemed unreadable, then it's flagged, and then the check processor will decide what to do with it," he said. "When that happens, it's not pleasant for anybody." 📱

Parascript LLC

303-381-3100

www.parascript.com

X-TREME RESULTS
CALLS FOR AN...
X-TREME PROCESSOR

- Residual Ownership
- ISO/MSP Sponsorship
- Merchant Cash Advance
- Currency Conversion Revenues

Call "X"...**TODAY!** (877) 635-3570 www.hbms.com

Humboldt Merchant Services
A DIVISION OF MONERIS SOLUTIONS, INC.

DateBook

Visit www.greensheet.com/gs_tradeshow_events.php for more events and a year-at-a-glance event chart.



Source Media Conferences

21st Annual Card Forum and Expo

Highlights: This expo will provide updates on legal and regulatory developments that can impact payment professionals' business operations.

In addition, the event will offer case studies and discussions on trends and opportunities in the payments sphere, as well as workshops on retaining customers with efficient rewards and loyalty programs, payment strategies, consumer behaviors, and risk management.

When: April 20 – 22, 2009

Where: Marco Island Beach Resort, Marco Island, Fla.

Registration: <http://www.sourcemediaconferences.com/CFE09/>



Electronic Transactions Association

ETA Annual Meeting & Expo

Highlights: Thousands of professionals attend this annual event, which sports a host of educational programs and an exposition hall featuring more than 180 exhibitors.

It also offers a chance to network with partners, clients, vendors and peers – new and old.

General sessions, panel discussions, topical lectures and more informal gatherings feature industry veterans, as well as rising stars; they cover issues of concern to attendees, including best business practices, legislative developments and data security requirements, as well as the latest innovations in technology.

Past speakers have included Fox News Analyst Stuart Varney, CNN Host Lou Dobbs, Visa Chief Executive Officer John Philip Coghlan, Discover Financial Services CEO David Nelms and other top executives in the payments space.

When: April 21 – 23, 2009

Where: Mandalay Bay Resort & Casino, Las Vegas

Registration:

www.electran.org/content/category/6/35/118



Women Networking in Electronic Transactions

Super LINC 2009

Highlights: Women Networking in Electronic Transactions (W.net) is holding its annual Super Local Interest Networking Circle (LINC) as a pre-event to The Electronic Transactions Association's Meeting & Expo in Las Vegas.

Dubbed Survivor: W.net – Outwit, Outsmart, Outshine, the event will focus on new strategies to combat the economic and regulatory environment. Cy Wakeman will also present her Reality-Based Leadership program designed to enhance women's leadership skills.

When: April 21, 2009, 3 – 5:30 p.m.

Where: Mandalay Bay Convention Center, Las Vegas

Registration: www.w-net.biz



Smart Card Alliance

CTST 2009: The Americas

Highlights: Devoted to securing sensitive data in a mobile world, this three-day conference will offer perspectives on doing business in the Americas and feature veterans from diverse sectors, including financial services, enterprise security, government, transportation and health care, who are adopting advanced card technology.

More than 120 speakers will cover such topics as contactless payments, identity management, physical and logical access security, government-issued credentialing, mobile payments, the Latin American market and emerging smart card technologies. Networking and demonstrations of innovative technology will also occur in the exhibit hall.

When: May 4 – 7, 2009

Where: Ernest N. Morial Convention Center, New Orleans

Registration: <http://www.ctst.com>



Source Media Conferences

4th Annual Underbanked Financial Services Forum

Highlights: This year's forum, presented with the Center of Financial Services Innovation, will explore multiple perspectives on serving the underbanked. It is designed to raise awareness of the potential value and diversity this market has to offer. Two preconference workshops will focus on the underbanked consumer and market investment opportunities.

Other slated conference topics include technology innovations in the underbanked sphere, use of alternative data to underwrite auto loans, risk and regulation, recent developments in the prepaid space, sales force motivation, remittance services, collection challenges, and international microfinance.

When: June 1 – 3, 2009

Where: The Westin Galleria, Dallas

Registration: http://register.sourcemediaconferences.com/iebms/reg/reg_p4_promo.aspx?&sessionid=fgkfgofd8fcnfdkejik

Inspiration

WaterCoolerWisdom:

What man can imagine he may one day achieve.
- Nancy Hale



See it, believe it

As an ISO or merchant level salesperson, you devote time and effort to setting goals, making lists and keeping upbeat through the frustrations and triumphs of a typical workday. But have you ever truly *visualized* what you want?

When was the last time you pictured the future you passionately desire and literally *saw* the success you crave?

Visualization focuses the mind on a goal at hand. Maybe it's a monthly quota of new merchant accounts or a certain residual level you expect to achieve in a year's time.

Writing goals down, along with the steps necessary to attain them, is an important process.

Research indicates this alone makes it far more likely you'll get what you want in life. But add visualization, and you'll reach your destination faster.

Visualization is simply creating pictures in your mind. However, effective visualization requires time and concerted effort – two things you may feel you don't have, considering your workload and commitments.

But it's when you feel most harried that you need to see clearly what you desire.

You may feel you cannot determine what runs through your mind, visual or otherwise, especially when you feel stressed. But you have more power to determine this than you may realize.

Those were the days

Do you remember daydreaming as a child or teenager? Your mind was filled with dreams and goals that were more flights of fancy than practical or logical pursuits. But you didn't consider that. How many times did your teachers or parents ask you where your head was?

You were dreaming of playing third base for the Baltimore Orioles, or you were the lead singer at a sold out Madison

Inspiration

Square Garden concert or you were at the senior prom with the homecoming queen or king. The point is you actually saw it through your mind's eye. You were *there*. You felt the rush of the crowd's applause, you could smell the fresh cut grass of the ballpark and you could see yourself dancing with the most popular person in school.

Do you feel you have lost that ability? You haven't. And now you can direct it toward realistic goals. Devote time to practicing visualization, and soon enough you will be able to vividly picture yourself moving through close after close, building a multimillion dollar portfolio. But begin with something small. Then build your momentum.



1st AMERICAN
LEASING



One Vision
We adapt to your needs.

LOOKING AHEAD
Times like these call for a cool head and a steady hand. Partnering with us allows you to concentrate on your business instead of looking for deals.

We eliminate overlap and deliver results.

Call 1st American today.

- POS Systems
- ATM Machine Leasing
- Credit Card Equipment
- Fax and PDF Leases
- Approvals In Hours
- Leases from \$700 – \$250,000
- Same Day Funding
- No Manufacturer Restrictions
- Wireless Terminals
- \$1 Buy-Out Program

TOLL FREE
888 884 6111 ext 3012

Eye on the prize

For example, take a picture of a busy commercial area where several merchants you want to board are doing business. Now, set aside at least 15 minutes. Look at the picture. Next, close your eyes and visualize meeting your targeted merchants.

Walk each of them through your sales pitch. See their positive reactions, watch yourself nail the closings, and revel in follow-up visits with your new customers and the residual streams coming from their merchant accounts.

Repeat this process several times. Get in the habit of doing this several times a day as you work toward your goal. And post the snapshot you took where you'll see it often.

It's important to focus on the task at hand. Wanting a fancy car, a spacious new home or a first-class vacation is all well and good, and imagining such things is likely to help you attain them.

But don't forget to picture yourself succeeding in your chosen profession – step by step. This can lead to the financial windfall that will make your dream purchases a reality.

If you encounter setbacks landing merchants, remember to use visualization. It will lift your spirits and keep you focused on your goals. While your goals and accompanying visualizations will change over time, the things you envision must always be meaningful to you.

Use images that inspire and empower you both when you are doing well and when you aren't quite hitting your stride. Practice visualization consistently, and you just may find yourself scaling heights you once thought were Olympian.

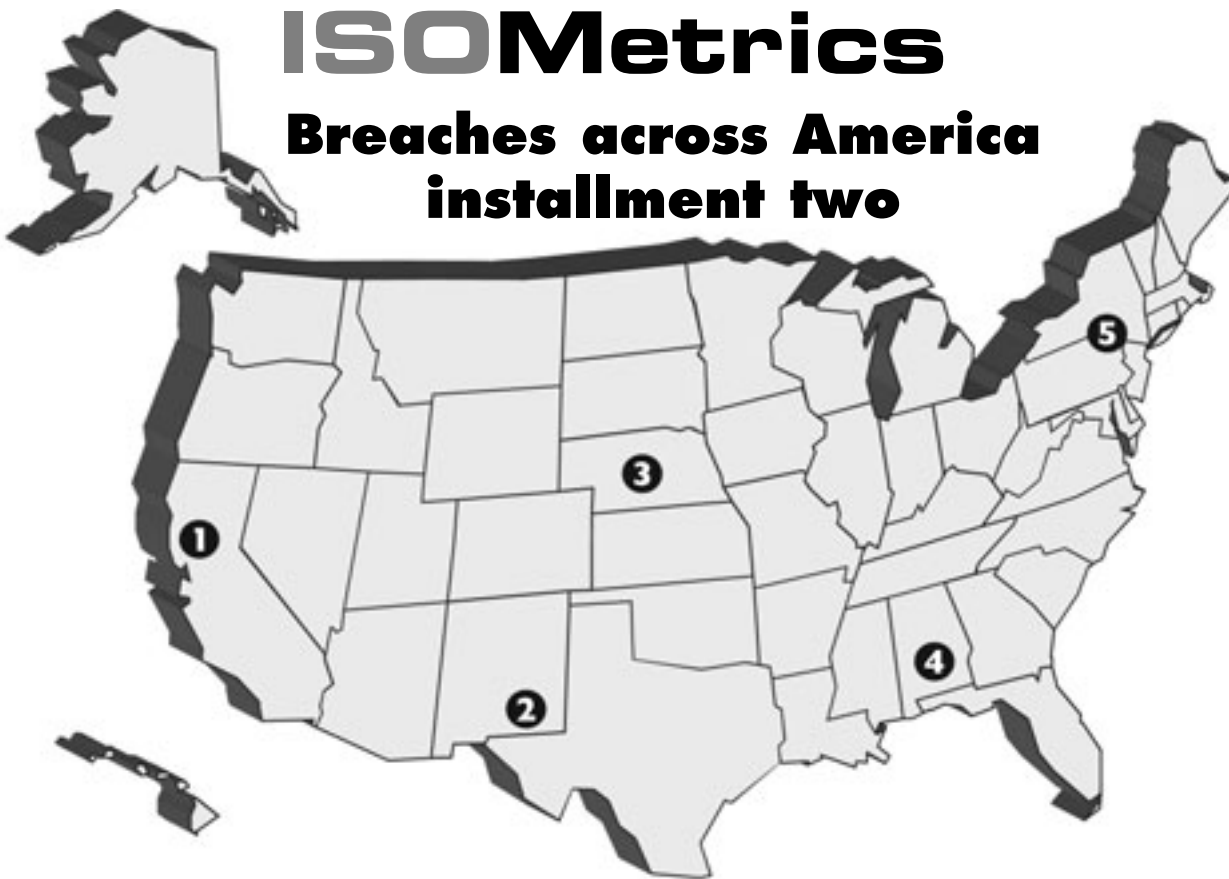
Good Selling!SM



Paul H. Green, President and CEO

ISOMetrics

Breaches across America installment two



Here are several large data breaches that have occurred in the United States since we last published a map of domestic breaches in *The Green Sheet*, May, 12, 2008, issue 08:05:01.

1 West:

California

Calabasas, Aug. 2, 2008 – The FBI discovered a former Countrywide Financial Corp. employee and an accomplice had hacked into the records of 2 million Countrywide account holders over a two-year period.

Los Angeles, Sept. 15, 2008 – Transaction data – including credit and debit card numbers, expiration dates and other card data – of 98,930 Forever21 customers may have been stolen, the company reported.

Colorado

Lakewood, July 9, 2008 – According to an audit, Colorado's Division of Motor Vehicles sent large batches of unencrypted personal information over the Internet and failed to properly limit access to its database. The total compromise represented 3.4 million records.

Utah

Salt Lake City, June 10, 2008 – Billing records of 2.2 million University of Utah Hospitals and Clinics patients stored on "backup tapes" were stolen from a courier's vehicle.

2 Southwest:

Arizona

Tucson, June 18, 2008 – Investigators found old Domino's Pizza receipts with untruncated credit card numbers literally blowing in the

wind; the former franchise owner had been discarding boxes of old records.

Phoenix, Nov. 7, 2008 – Arizona's Department of Economic Security notified the 40,000 families that personal data pertaining to their children may have been compromised following the theft of several hard drives from a commercial storage facility.

New Mexico

Los Alamos, Feb. 11, 2009 – The Los Angeles National Laboratory lost 69 computers, including at least 12 stolen in 2008, which may have contained personal information such as names and addresses. But the computers reportedly did not contain classified information.

Texas

San Antonio, May 2, 2008 – A former U.S. military contractor pled guilty to accessing a Marine Corps Reserve Center computer and selling the names and Social Security numbers of 17,000 military employees.

Austin, Sept. 23, 2008 – A former Texas Lottery Commission computer analyst was arrested for copying the personal data of 27,075 Texas lottery winners.

3 Midwest:

Iowa

Cedar Rapids, June 27, 2008 – A Montgomery Ward online database was hacked, exposing 51,000 accounts containing credit card information.

North Dakota

Grand Forks, Oct. 7, 2008 – A laptop computer containing sensitive personal and financial information on 84,000 alumni, donors and others was stolen from a vehicle belonging to a software vendor retained by the University of North Dakota.

Ohio

Cincinnati, Sept. 10, 2008 – An unauthorized person gained access to a database containing personal information – including names, addresses, phone numbers, account numbers and account balances – of 25,000 Franklin Savings and Loan customers.

4 South:

Arkansas

Little Rock, Feb. 20, 2009 – A computer storage tape with data from 807,000 criminal background checks dating back to the mid-1990s went missing from the Arkansas Department of Information Systems/Information Vaulting Services.

Florida

Gainesville, Nov. 12, 2008 – A fraudster stole 330,000 records of current and former dental patients at the University of Florida going back to 1990.

Georgia

Atlanta, Dec. 29, 2008 – RBS WorldPay Inc. admitted hackers broke into its U.S. systems. Up to 1.1 million Social Security records were exposed.

Atlanta, Jan. 6, 2009 – CheckFree Corp. said phishers took control of several of the company's Internet domains and redirected customer traffic to a malicious Web site hosted

in the Ukraine. The company warned that 5 million financial records may have been compromised.

5 Northeast:

Massachusetts

Boston, July 8, 2008 – The unencrypted names, addresses and Social Security numbers of 10,219 LPL Financial clients were breached. The Securities and Exchange Commission subsequently fined the firm \$275,000.

New Jersey

Princeton, Jan. 20, 2009 – Heartland Payment Systems Inc. revealed that an unknown number of cardholder records had been compromised. The breach came to light when Visa Inc. and MasterCard Worldwide alerted the processor that malicious software had been found on its network.

New York

Binghamton, Mar. 11, 2009 – Papers containing Binghamton University student information – including Social Security and credit card numbers – were found stuffed in boxes, unlocked filing cabinets and shelving units at the university. Since the records went back at least 10 years, potentially more than 100,000 current and former students could be affected.

Pennsylvania

Downingtown, May 16, 2008 – A teenager hacked into a Chester County School District computer system. Private information, including names, addresses and Social Security numbers of over 50,000 people was accessed.

ResourceGuide

To add your company to our expanding listing, call 866-429-8080 today.

ACH - Check 21 BOC



Netcom Check Services
(800) 875-6680
www.netcomchecks.com

Convergence Processing Merchant Services
ACH Check21 BOC ARC Age & ID
Recurring ACH Check Verify
All Major Credit and Debit Processing
LifePay Residual No Exit Fees

Global eTelecom, Inc. (GETI)
(877) 454-3835
www.checktraining.com

ACH - PROCESSING SERVICES



Full Service ACH Processing

(800) 848-5826
www.teledraft.com

Outstanding Reseller Programs
for Agents and ISO's
Excellent Income - Lifetime Residuals



Creative Cash Flow Solutions, Inc

(866) 691-0666 x166
www.ilovechecks.com

Merchant Cash Advance for Checks...
Telephone/Internet/Recurring ACH
Full Suite of ACH/Check 21 Services
ISO Private Labeled Program
Lifetime Vested Residuals



(800) 320-7258

www.smartpaymentsolutions.com

AGE / ID & OFAC VERIFICATION

ID Chex
(800) 875-6680
www.IDCheX.net

ATM / SCRIP ISOs LOOKING FOR AGENTS



(888) 701-1004
www.accesstomoney.com

Looking for agents. 100% of surcharge
plus 100% of interchange on all monetary
and non monetary transactions Call
Ralph @ x4241
or Jim @ x4243



(877) 271-2627 x157
www.atmexpress.com

Increase \$\$ w/Existing Customer Base
0 Quotas/Vested Residual/Best Prices
See why we are America's #1 ATM Co.
David Hooper @ (877)271-2627 ext. 157
T. Chapman @ (800)523-2104 ext. 2178

Bonus:

Equity Commerce Gives You Choices.



Added Options for Added Value.



- Something additional
- A plus quantity
- Having a certain quality to an unusual degree
- Positive
- Increased by
- Involving or noting addition

No matter which definition you go with, the Equity Commerce Plus Program now gives you options to choose from:
Aggressive 80/20 residual splits and upfront residual buyout.

WWW.EQUITYCOMMERCE.COM

866.790.3995 ext. 203

Equity Commerce, L.P. is a registered ISO/MSP of Harris, N.A., Chicago, IL

ResourceGuide



ACCESS ATM
(866) 874-0384
www.accessatm.com

Data Capture Systems Inc.
(800) 888-1431
www.msi-sd.com

Nationallink
(800) 363-9835
www.nationallink.com

United Cash Solutions
(800) 698-0026 x1430

BANKS LOOKING FOR AGENTS

Comerica Merchant Services
(800) 790-2670

Group ISO, Inc.
(800) 960-0135
www.groupiso.com

Humboldt Merchant Services, L.P.
(877) 635-3570
www.hbms.com

**Redwood Merchant Services
Division of Westamerica Bank**
(707) 569-1127
www.redwoodmerchantservice.com

BANKS LOOKING FOR ISOs / MSPs



Integrity
Payments Systems
Payment Processing Demands Integrity

(888) 477-4500
www.integritypaymentsystems.com

Want better sales support?
Call us at Integrity, and also ask about
our value added business solutions
for merchants.

America's BankCard Alliance, LLC.
(800) 757-1538
www.aballc.com

Group ISO, Inc.
(800) 960-0135
www.groupiso.com

CASH ADVANCE LOOKING FOR AGENTS



grp FUNDING LLC.
(877) 571-7999
info@grpfinancing.com

4 to 9 month programs | Factors as low as 1.25. All commissions paid on collected amount. Same day approvals on complete submissions. We will work with your processor.

CHECK COLLECTIONS

CybrCollect, Inc
(888) 340-9205
www.getmychecks.com

CHECK GUARANTEE / VERIFICATION

CrossCheck, Inc.
(800) 654-2365

EZCheck
(800) 797-5302
www.ezchk.com

Global eTelecom, Inc. (GETI)
(877) 454-3835
www.checktraining.com

Global Payments Inc.
(800) 801-9552
www.globalpaymentsinc.com

Secur-Chex
(866) 464-3277

CONSULTING AND ADVISORY SERVICES

Adam Atlas Attorney at Law
(514) 842-0886

First Annapolis Consulting
(410) 855-8500
www.firstannapolis.com

Integrity Bankcard Consultants, Inc.
(630) 637-4010
www.integritybankcard.net

EQUIPMENT



ingenico
beyond payment
Ingenico
(800) 252-1140
www.ingenico-us.com

Ingenico - the world's most dependable POS supplier. Financially strong, innovative and ready to serve you today.

ATT Services
(714) 999-9566
www.attpos.net

BANCNET
(713) 629-0906
www.banc.net

Bartlett Info Tech Services, LLC
(901) 384-6151
www.bits-pos.com

Budget Terminals and Repair
(985) 649-2910

General Credit Forms, Inc.
(800) 325-1158
www.gcfinc.com

Ingenico
(800) 252-1140
www.ingenico-us.com

JRs POS Depot
(877) 999-7374
www.jrsposdepot.com

Paper Rolls Chicago
(877) 298-6939
www.paperrollschicago.com



POS Portal
PORTAL (866) 276-7289
www.posportal.com

*Often Imitated.
Never Duplicated.*



Home Of The
5 ¢ Transaction

Merchant Management Systems, Inc.
www.onlinewithmms.com



● CUSTOM BUILT AGENT PROGRAMS

● 4 TIER LEASING, CHECK
CONVERSION AND GIFT-
LOYALTY PROGRAMS

● LIFETIME VESTED RESIDUALS,
RESIDUAL BUYOUT PROGRAMS
AND RESIDUAL PORTABILITY

● ALL DEPARTMENTS IN-HOUSE

● FAXED APPLICATIONS, 45 MIN.
MERCHANT ACCOUNTS AND
SAME DAY SHIPPING

● LIVE CUSTOMER & TECHNICAL
SUPPORT 24/7/365 THAT CARES
ABOUT YOUR MERCHANTS

Technical
Support
24 / 7 / 365



Customer
Service
24 / 7 / 365

For More Information Contact: Reginald Mattison - (800) 795-6899

ResourceGuide

The Phoenix Group
(866) 559-7627



TSYS
Acquiring Solutions
(800) 686-1999
www.tsysacquiring.com

VeriFone
(800) VERIFONE

FINANCING



American Microloan
(866) CASH 456
www.AmericanMicroloan.com

FINANCING FOR ISOS



**RESOURCE FINANCE
COMPANY**
(866) 211-0114
www.resourcefinance.com

FREE ELECTRONIC
CHECK RECOVERY

ACCESS CHEX
(866) 746-CHEX
www.accesschex.com

GIFT / LOYALTY CARD PROGRAMS



SPARKBASE
(216) 867-0877
www.sparkbase.com

Stop giving your gift card business to someone else. Take control, and make more money using the largest ISO managed / custom branded solution in the industry. Only with SparkBase.

Electronic Payments (EPI)
(800) 966-5520 x221
www.epigiftcards.com

FLEXGIFT/UMSI
(800) 260-3388

Global eTelecom, Inc. (GETI)
(877) 454-3835
www.giftcardtraining.com

HIGH RISK



ALTERNATIVE
Merchant Processing, Inc.
(888) 525-5059
www.ampworldwide.com

AVP Solutions
(800) 719-9198
www.avpsolutions.com

International Merchant Solutions
(800) 313-2265 x104
www.officialims.com

National Transaction Corp.
(888) 996-2273
www.nationaltransaction.com

ISO/POS DEALER
LOOKING FOR AGENTS

MSI, Merchant Services Inc.
(800) 522-3661
www.1800bankcard.com

ISO RELATIONSHIPS AVAILABLE



ALIPSE
PUTTING YOU IN CHARGE

(888) 437-6771
www.alipse.com

Crush Your Competition
Reward your Merchants with
Profit Share
Eliminate Attrition Own Your Portfolio
Call Today.



Advanced
— merchant services

(888) 355-VISA (8472)
www.amspartner.com

AmericaOne LLC
(888) 502-6374

CoCard Marketing Group
(800) 882-1352
www.cocard.net

Elavon
(678) 731-5000
www.elavon.com

Electronic Payments (EPI)
(800) 966-5520 x223
www.epiprogram.com

EVO Merchant Services
(800) CARDSWIPE x7800

First American Payment Sys.
(866) GO4 FAPS
www.first-american.net

Global Payments Inc.
(800) 801-9552
www.globalpaymentsinc.com

Group ISO, Inc.
(800) 960-0135
www.groupiso.com.

G SQ NOW STANDS ON ITS OWN!

G SQ GOING SOLO IN 2009!

A GREEN SHEET INC. PUBLICATION • VOL. 11, NO. 4 • DECEMBER 2008
A SUPPLEMENT TO THE GREEN SHEET ISSUE ON 12/02

BANKCARD TODAY

Full-Color Ads
Niche-Targeted advertising
Distribution at trade events

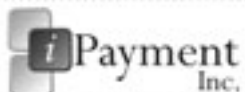
Beginning in 2009 *GSQ* will have it's own separate mailing - no longer bundled with *The Green Sheet*. This means *GSQ* will have it's own date to reach our readers with full color, topic-specific messages as well as get the extra spotlight at all the major tradeshow.

CALL TODAY
for pricing and availability!

Danielle Thorpe
707-586-4737
Rita Francis
866-429-8080

2008 ACQUIRERS

ResourceGuide



(888) 519-9466

www.ipayment-agent-iso.com

IRN Payment Systems
(800) 366-1388 x210
www.partner-america.com

MSI, Merchant Services Inc.
(800) 537-8741
www.1800bankcard.com

North American Bancard
(800) BANCARD x1001



total merchant services

Total Merchant Services

(888) 84-TOTAL x9727

www.upfrontandresiduals.com

United Bank Card (UBC)
(800) 201-0461

ISOs / BANKS PURCHASING MERCHANT PORTFOLIOS

AmericaOne LLC
(888) 502-6374

Elavon
(800) 819-6019 x6
www.elavon.com

Global Electronic Technology, Inc (GET)
(877) GET 4ISO
www.gettrx.com

Global Payments
(800) 801-9552
www.globalpaymentsinc.com

IRN Payment Systems
(800) 366-1388 x210
www.partner-america.com

Merchant Portfolios.Com
(866) 448-1885 x308
www.MerchantPortfolios.com

North American Bancard
(800) BANCARD x1001

Premier Processing Systems
(800) 675-8564
www.ppsstl.com



(888) 818-3552 x202
www.VelocityFunding.com

Superior Portfolio Valuation
Quick Turnaround Time
Will Not Switch Processor
No Portfolio Too Small
DeanCaso@VelocityFunding.com

ISOs / PROCESSORS SEEKING SALES EMPLOYEES



total merchant services

Total Merchant Services

(888) 84-TOTAL x9727

www.upfrontandresiduals.com



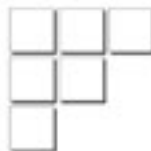
(888) 355-VISA (8472)

www.amspartner.com

AmericaOne LLC
(888) 502-6374

Direct Processing Inc.
(877) 31-setup (317-3887)
www.atmsale.net

ISOs LOOKING FOR AGENTS

**Netcom PaySystems**

(800) 875-6680

www.netcompaysystems.com

An Agent of RBS WorldPay
LifePay at IC + Call For Buy Rate
Virtual Terminal - Recurring Billing
Online Reporting Quick Approvals
No Liability, Exit Fees or Gimmicks



(212) 207-3427

www.eaglepointfinancial.com

Electronic Payments (EPI)
(800) 996-5520 x223
www.epiprogram.com

EVO Merchant Services
(800) CARDSWIPE x7800

First American Payment Sys.
(866) GO4 FAPS
www.first-american.net

Frontline Processing Corp.
(406) 585-7443
www.frontlineprocessing.com



The Gold Standard

True 80% Residual Payout Since 2004

The services our partners provide their merchants are honest, genuine and simple, too. Competitive pricing, top-of-the-industry processors, and unbeatable 24/7 service.

- Actual Stock Ownership & Account Ownership
- True Pass-Through Interchange Cost
- Direct Processor Access & Reporting
- 5 Cent Network Cost
- Private Label Gateway
- BC/BS Insurance w/Dental
- Zero Hold Times
- Zero Debt

Build a network, build an ownership portfolio, and build your profits.

* Minimum of five years verifiable industry experience required.

MLS
DIRECT NETWORK

(877) 972-0700

www.mlsglobalnetwork.com

Registered ISO/MSP of Chase-Payments, Harris N.A. & First Data, LLC.

ResourceGuide

Global Electronic Technology, Inc (GET)

(877) GET 4ISO
www.gettrx.com

Group ISO, Inc

(800) 960-0135
www.groupiso.com

Impact Paysystems

(866) 884-5544 x1555

Innovative Merchant Solutions

(800) 397-0707



iPayment
Inc.
(888) 519-9466
www.ipayment-agent-iso.com

IRN Payment Systems

(800) 366-1388 x210
www.partner-america.com

MSI, Merchant Services Inc.

(800) 351-2591
www.1800bankcard.com



MCCS
Merchants' Choice Card Services
(800) 478-9367 x5
www.mccs-corp.com



Money Tree
Merchant Services
(800) 582-2502 x2
www.moneytreerewards.com

North American Bancard

(888) 229-5229

Pipeline Data Inc.

(877) 754-0530 x16179
www.pipelinedata.com



PremiumCardSolutions
A Payment Solutions Company
Premium Card Solutions
(888) 780-9595
www.premiumcardsolutions.com



total merchant services
Total Merchant Services
(888) 84-TOTAL x9727
www.upfrontandresiduals.com

United Bank Card

(800) 201-0461 x136

United Merchant Services, Inc.

(800) 260-3388



VMS VMS
(888) 902-6227
www.getvms.com

Xenex Merchant Services

(888) 918-4409 x511

LEASING



BARCLAY SQUARE
LEASING
BARCLAY SQUARE
LEASING
(866) 396-2754
www.barclayleasing.com
We fund & service all our leases
Some day funding – Fast scoring
Low factors – Written verifications
Online reporting – Faxable/PDF leases
48 month wireless – Split funding



1st AMERICAN
LEASING
(888) 884-6111 x 3012
www.1stamleasing.com

ABC Leasing

(877) 222-9929

American P.O.S. Leasing Corp.

(800) 349-6516
www.poslease.com

First Data Global Leasing

(800) 897-7850

International Lease Center

(800) 236-2317

LADCO Leasing

(800) 678-8666
www.ladco.com

Lease Finance Group LLC

(888) 625-8867
www.lfgleasing.com

LogicaLease

(888) 206-4935
www.logicalease.com

Merimac Capital

(866) 464-3277

Northern Leasing Systems, Inc.

(800) 683-5433
www.northernleasing.com

Time is on your side

Offer your merchants two batch out times:
4:00 a.m. (EST) with same day funding* and
9:00 p.m. (EST) for next day funding*
It's as simple as that!

Join **CREDOMATIC's Partner Solutions Program.**

Partner Benefits:

- On time residuals-paid monthly
- 50-70% TRUE profit sharing on all processing revenue
- NO BIN fees, NO risk fees. NO downgrade surcharges
- Upfront and Residual income on all payment services
- 1% conversion bonus-up to \$1000.00 per account
- Activation bonuses-up to \$350.00 per account
- 5% commission on merchant cash advances

Merchant Solutions:

- Same day funding option* on all transactions settled by 4 a.m. (EST)
- Multiple billing options
- Free terminals to sell/lease or place including Verifone VX510, Verifone VX570 and Hypercom T7 Plus
- Free Payment Software with Quickbooks Plug In
- A complete suite of TSYS (Vital) Payment Solutions



- Complete state-of-the-art web-based touchscreen POS solutions for restaurants (ORDYX) and retail (SELLWISE)
- All services (credit/debit, checks, gift cards, and cash advances) billed on one statement and settled through a single deposit

* Same and next day transmission of funds is guaranteed by CREDOMATIC. Actual posting of all deposits to merchant account is determined by merchant depository bank.

With Credomatic, it's always possible

For almost 30 years, we have been continuously forging profitable relationships. Join our Partner Solutions Program **today**. For more information, go to www.credomaticpartner.com or call us at **1.888.82AGENT (1.888.822.4368)**



Partner
GE Money

CREDOMATIC is a registered ISO/WSP of BAC Florida Bank. BAC Florida Bank is an affiliate of CREDOMATIC.

Credomatic Batch Out Times



Same day funding
4:00 a.m.



Next day funding
9:00 p.m.

Others Batch Out Time



7:00 p.m.



CREDOMATIC.

Member BAC | CREDOMATIC Network

ResourceGuide

MULTI - CURRENCY PROCESSING**DCC MERCHANT SERVICES, USA**

(888) 322-8632 x204
www.dcctoday.com

The Authority in Foreign Currency Conversation at POS or online. Enable merchants' customers to purchase in their currency. ISO's & Agents earn up to 60bp above discount rates and fees.



(917) 237-0090
www.Payvision.com

OFFSHORE BANKS LOOKING FOR ISOs

(866) 720-3729
www.first-pay.com

PAYMENT GATEWAY**One Connection
Endless Opportunities**

(800) 337-3060
www.paymentsgateway.com

Your All-in-One payments solution
Instant Online Enrollment
PCI Certified
Customized Branding
Personalized Service



NETWORK MERCHANTS INC.
EST. 2005

**"Building Payment Gateways
One Partner at a Time"**

(800) 617-4850
www.nmi.com

- PCI Compliant Customer Vault™
- Encrypted Retail Swiped Solutions
- Multi-MID Transaction Routing
- ISO / MLS Transparent Branding
- Non-Compete Guarantee

APRIVA
(480) 421-1210
www.apriva.com



(800) 296-4810
www.eProcessingNetwork.com

Global Payments
(800) 801-9552
www.globalpaymentsinc.com

ProCharge
(800) 966-5520 x221

USA ePay
(866) 490-0042
www.usaepay.com

**PAYMENT GATEWAY /
SERVERS / ISPs**

Network Merchants, Inc. (NMI)
(800) 617-4850
www.nmi.com

PCI DSS COMPLIANCE

(312) 873-7500
www.trustwave.com

POS CHECK CONVERSION

CrossCheck, Inc.
(800) 654-2365

EZCheck
(800) 797-5302
www.ezchk.com

Global eTelecom, Inc. (GETI)
(877) 454-3835
www.checktraining.com

Secur-Chex
(866) 464-3277

**POS CREDIT CARD
EQUIPMENT REPAIR****POS Equipment Repairs
and Sales**

(877) 581-6201
Info@NewImagePOS.com

Over 20 Years Repairing / Refurbishing
POS Equipment, CheckReaders.
Personal Service, Quick Turn Around,
Deployment, One Year Warranty
EXPERIENCE, QUALITY, INTEGRITY



We Put You in the Driver's Seat

Sales Down? Turn them around with a choice of programs from CrossCheck, Inc. Enjoy the benefits (and revenue) of buy rate pricing on our check services: standard guarantee, check conversion, recurring billing and more. On-going residuals and revenue sharing programs are also available.

Call us today to discuss how we can help build your portfolio and get you back on the road to success.



CROSSCHECK, INC.

(800) 654-2365
partners@cross-check.com
<http://www.cross-check.com>

SAY *Yes* TO CHECKS®

Paying lifetime residuals for over 25 years.

ResourceGuide

ATT Services
(714) 999-9566
www.attpos.net

**POS SUPPLIES**

General Credit Forms, Inc.
(800) 325-1158
www.gcfinc.com

**PRIVATE PARTIES
PURCHASING PORTFOLIOS**

2GS
(949) 200-7474
www.buyresiduals.com

**PROCESSORS
LOOKING FOR ISOs**

Elavon
(678) 731-5000
www.elavon.com

First National Merchant Solutions
(800) 354-3988
www.fnms.com



TSYS Acquiring Solutions
(480) 333-7799
www.tsysacquiring.com

SITE SURVEYS

PRN, Inc.
(800) 676-1422
www.prn-inc.com

Spectrum Field Services
(800) 700-1701 x286
www.spectrumfsi.com

SEO / WEB / GRAPHIC DESIGN

Sturgill Studios
(469) 438-0755
www.sturgillstudios.com

TRAINING

Bankcard Boot Camp
(866) 276-6683
www.bankcardbootcamp.com

**WIRELESS RETAIL /
KEYED PROCESSING**

eProcessing Network, LLC
(800) 296-4810
www.eProcessingNetwork.com

USAePay
(866) 490-0042
www.usaepay.com

WE KNOW MONEY'S TIGHT

**BUT DID
YOU KNOW
THERE ARE
MORE
THAN A
DOZEN
WAYS TO
ADVERTISE
WITH US?**



**ONLINE BANNERS
PRINT (PLUS COLOR)
RESOURCE GUIDE
COLOR INSERTS
SPECIAL MAILERS
SPONSORSHIPS**

NEW FOR '09

- **ONLINE RESOURCE GUIDE EXCLUSIVE**
- **BOLD & REGULAR LISTINGS IN GSQ**
- **CALL FOR MORE INFO!**

TO FIND OUT WHICH ONE SUITS YOU, CALL:

**Danielle Thorpe
at 707-586-4737
or Rita Francis
at 866-429-8080**



**there's nothing better
than instant gratification.**

*With iMax Bancard, you'll
get instant merchant approvals -
to help you close the deal fast.
Saving you time and money.
iMax stands for:*

i nstant
merchant
approvals
X (sign here)



With iMax Bancard, you can expect:

24/7 professional support
agent gateway with amazing tools
electronic apps
on-time residuals
.05 cent auth fee
up-front bonuses
80% residuals
...and more!



**SALES.....ONLY BETTER.
866.702.8801**



Advertiser Index

1st American Leasing	94	Merchant Management Systems, Inc	99
2GS LLC	70	Merchant Service Group	40
Alpha Card Services Inc	29, 86	Merchant Warehouse	21
AmericaOne Merchant Services Inc	9	Merchants Choice Card Services	71
Applied Card Systems	58	MLS Direct Network Inc	103
Apriva Inc	33	Money Tree Merchant Services	67
Bank Card Depot	61	Merchant Services, Inc	23
Blue Bamboo	82	myARCworld Inc	46
Charge Anywhere	83	National Transaction	54
CoCard	11	Netcom PaySystem	72
Credit Cash	88	North American Bancard	2, 6, 7
Credomatic	105	NPC	49
CrossCheck Inc	107	Paul Dominik & Co. CPA	55
Cynergy Data	69	Payment Alliance International	10
Elavon	43	Payments Gateway	65
Electronic Merchant Systems	20, 77	Pinnacle Processing	60
Electronic Payments Inc	111	Pivotal Payments	44
eProcessing Network LLC	48	POS Portal Inc	15
Equity Commerce	97	Reliable Payment Solutions	47
EVO Merchant Services	31	Reliant Processing Services	81
EZCheck	62	Sonoma Technical Support Services	24
Global Check Service	63	Spark Base	18
Global eTelecom Inc	90	Teledraft	42
Global Payments	79	The Phoenix Group	53
Greystone Business Resources	51	Total Merchant Services	56, 57
Humboldt Merchant Services	91	TransFirst	19
Hypercom Corp	112	TriSource Solutions LLC	52
iMax Bancard	109	U.S. Merchant Systems	68
Impact MD	22	United Bank Card	73, 74, 75
Ingenico	26, 27	United Merchant Services	25
Innovative Merchant Solutions	13	USAePay	64
International Bancard Corporation	17	VeriFone	12
iPayment Inc	39	Virtual Payment Solutions	32
JRs POS Depot	87		



... THERE WAS AN AD THAT HAD A GUY HOLDING A TERMINAL AND HE WAS WEARING A SPORT COAT AND THE PRICE WAS LIKE \$199 OR SOMETHING AND IT WAS BACK IN THE SUMMER. WHAT WAS THE COMPANY'S PHONE NUMBER ON THAT AD?

FREE PDF ARCHIVES OF ISSUES BACK TO OCTOBER 2001 (ISSUE 01:10:01). LOCATE PREVIOUS ADS, OR RESEARCH YOUR COMPANY'S AD HISTORY.

WWW.GREENSHEET.COM





**Pump Up
Your Profits**

FUELING YOUR FUTURE

With Electronic Payments as your full service acquirer, you can now take advantage of the wide open convenient and pay-at-the-pump market that previously was closed to many ISOs and MLS. With EPI, you have access to 6 different front-end networks and the ability to process supermarket POS and inside/outside pay-at-the-pump.

Our team of ISO support staff knows this market and can help you with pricing proposals, IP/satellite/dial processing options, datacap/datawire setups, and various POS configurations for sales inside the store and outside at the pump. And with Electronic Cash Systems, you even have a turnkey ATM solution at your fingertips for valuable ATM placements and reprograms!

Get Started Today!
Call **1.800.966.5520 x223**
or visit **www.epiprogram.com**



- ▶ **Process Fleet Cards such as FuelMan[®], Wright Express[®] and Voyager[®]**
- ▶ **Full Service Fuel Program – Inside and Out**
- ▶ **3 Day Wright Express and 2 Day Voyager Settlement**
- ▶ **ATM Machine Placements/Reprograms**

Never let a sale go by way of the competition! EPI has a ISO support staff dedicated to helping you with all your pay-at-the-pump sales and installs.



www.epiprogram.com

1.800.966.5520 x223



HyperSafe® Remote Key System

Don't ship your terminal to a secure facility.

Download your key at the merchant location; it's more secure, less disruptive and fast.



Optimum T4205



Are you HyperSafe?

- **Inject:** Instant onsite key injection
- Protect:** stops unauthorized downloads
- Encrypt:** safeguards card holder data

CONTACT:
 RKI@hypercom.com
 www.hypercom.com
 +1-877-HYPERCOM

Come see a live demo at ETA Las Vegas | HYPERCOM Booth #505 | April 21 – 23, 2009



The Optimum T4205

Industry's premier PCI PED Approved entry level terminal



Now being sold thru:



Class A Certified:



Class A Certified Coming Soon:



Now available through the following distributor partners:



trusted TRANSACTIONS

www.hypercom.com
+1-877-HYPERCOM

NAIL MORE DEALS

Hammer Them Home



Access to Nine Platforms

1.9¢ Per Transaction

NO RESTRICTIONS

Processing for High Risk Merchants

1.9¢
Per Transaction

Charge Card Systems' 1.9¢ transaction fee on ALL Retail, MOTO & Internet accounts, for dial-up and IP, gives you the tools to NAIL the DEAL!



1.9¢

Per Transaction

ALL Retail, MOTO, Internet UNLIKE THE COMPETITION

Let a Low Transaction Fee Help You Nail the Deal. Hammer It Home with:

12-Hour Funding

Access To - First Data, Chase Paymentech, Buypass, Vital & Global

Processing for High Risk Merchants

Versatile Pay - Exclusive Total Payment Portal

Cash Advance Program

ACH Through Check 21

Charge Card Systems also Provides its Sales Partners with:

Activation and Conversion Bonuses up to \$750 • Residuals up to 70%

Residuals on Discover Transactions • Residuals on American Express Transactions (Coming Soon)

Proprietary Agent Website with Real Time Merchant Reporting • Same Day Approvals

Niche Marketing Divisions - Medical, Franchise and Educational

888.505.2273 ext.205

Jeffrey Shavitz, EVP

jshavitz@chargecardsystems.com



NorthAmerican[™]
BANCARD

Imagine Merchant
Account Updates
That Come to You.



Increase your productivity and profits with the power of information.

The Sales Partner Email Alert System from North American Bancard.

Stay one step ahead of the competition. With our customizable alerts you can get valuable information instantly via email or text on your growing merchant portfolio.

- Daily status emails and/or text messages
- Keep track of your merchants
- Alerts for merchants' daily processing levels
- Customizable options



Email Alert System

Want to get down to the nitty gritty? Take your business to the next level with Merchant Level Transaction Reporting.

A screenshot of a web browser window showing a "Merchant Level Transaction Reporting System" interface. It displays a table with columns for "Merchant", "Date", "Volume", "Count", and "Status". Below the table, there is a summary section for "Total Volume" and "Total Transactions".

Merchant	Date	Volume	Count	Status
Merchant 1	10/22/2010	\$1,234.56	10	Active
Merchant 2	10/22/2010	\$567.89	5	Closed
Merchant 3	10/22/2010	\$987.65	8	Low Activity

Summary: Total Volume: \$2,769.10, Total Transactions: 23

Merchant Level Transaction Reporting System

- Monitor each merchant's batch totals
- Variety of reports including volumes, dates and number of transactions
- Notifications on accounts not processing or closed
- Low Activity Warning to help prevent attrition
- First Transaction Alert tells you when a merchant starts processing
- Email or text message alerts right to your phone

The future is now! Only North American Bancard can bring you the power of instant information. Just one more way we are creating a better opportunity and a brighter future for our Sales Partners.

NorthAmerican
BANCARD™

1-888-229-5229 • www.GONAB.com

North American Bancard is a registered ISOMSP of HSBC Bank USA, National Association, Buffalo, NY and Wells Fargo Bank, N.A., Walnut Creek, CA.

CHANGE YOU CAN BELIEVE IN.

We've changed our cost structure to give you **8x Upfront Bonuses** and **3.5¢ (dial-up)** and **2.5¢ (IP)** pricing.

YES YOU CAN -

Get the most profit from every deal — **3.5¢ (dial-up)**
and **2.5¢ (IP)** pricing **AND** the power to choose:

8x Upfront Bonuses
50-65% Residuals
Free Terminal Placement

OR

70% Split for the
Highest Commissions

DO IT ALL, WITH TOTAL MERCHANT SERVICES.

Need a free terminal to close a deal? You've got one with 8x upfront bonuses, up to \$750 per merchant.

If you simply want the highest commissions possible, choose our 70% revenue sharing program.

Both options have the **best cost structure** in the marketplace — only **3.5¢ (dial-up)** and **2.5¢ (IP)**.

NOW IS THE TIME.

Start processing all your accounts with us today!

Call **1-888-84-TOTAL, ext 9727**

Or get the full program details at www.upfrontandresiduals.com



total merchant services

payment solutions for your business



HARBORTOUCH



The difference between a five figure
income and a six figure income.



**Complete and affordable
POS solutions custom
designed for retail and
hospitality merchants.**

In the current economic climate, merchants are looking for ways to save money. By offering Harbortouch, you can offer your merchants the opportunity to cut costs and operate more efficiently. Earn unparalleled commissions and revitalize your leasing revenue while providing your merchants with a complete and affordable POS solution.

▶ **ONSITE INSTALLATION AND ONSITE MERCHANT TRAINING**

- 24 hour customer service and technical support
- Retail and hospitality software customization
- Remote support and offsite database backup

▶ **LOWEST PRICING IN THE INDUSTRY FOR THE HIGHEST QUALITY POS SYSTEM**

- Sell below the competition's cost and still earn impressive commissions

▶ **GUARANTEED LEASING PROGRAM**

- Revitalize your revenues from equipment leases which represent approximately 70% of all deals

▶ **DESIGNED FOR DURABILITY**

- Unlike standard PCs, which last 2-3 years, the average lifespan of a Harbortouch POS System is 7-9 years

▶ **THE ULTIMATE MERCHANT RETENTION OPPORTUNITY**

- Reduce account attrition by integrating a business management solution at your merchant locations

Contact Harbortouch POS today and take advantage of the most advanced and lucrative sales opportunity in the payments industry!



To learn more about Harbortouch POS, contact:
Brian Jones, EVP Sales and Marketing: 800-201-0461 x 136
Jonathan Brandon, National Sales Manager East: 800-201-0461 x 145
Maxwell Sinovoi, National Sales Manager West: 800-201-0461 x 219

www.isoprogram.com



HARBORTOUCH