

Electronic Payments Forum News

FORUMS

ATM & POS NEWS

CARD TALK

FINANCIAL NEWS

INTEGRATED PAYMENTS

EFT SECURITY

February, 24th 2009

The first arrests in connection with the recently disclosed breach at Heartland Payment Systems have been made.

The Leon County, Florida Sheriff's office earlier this week announced the arrests of three area residents -- Tony Acreus, Jeremy Frazier and Timothy Johns -- for allegedly using stolen credit card numbers associated with the breach.

The arrests followed a three-month investigation of a major stolen credit card ring by the sheriff's office, the Tallahassee Police Department and the U.S. Secret Service. BankInfoSecurity.com first reported the arrests, and said that the number of financial institutions affected by the breach now stands at more than 220.

A statement from the Leon County Sheriff's office said the three men were arrested after being caught using stolen credit card numbers to make fraudulent purchases at local Wal-Mart stores. The three apparently used card information stolen from Heartland to "electronically encode VISA Gift Cards" which they would then use to purchase goods from retailers, the statement said. The goods were then sold for cash.

The combined amount of actual and attempted fraudulent transactions by the three exceeded \$100,000, the sheriff's office said, adding that the investigation is ongoing and could result in additional charges and arrests.

Heartland is a Princeton, N.J.-based firm that processes payment card transactions for more than 250,000 merchants. On Jan. 20, it disclosed that unknown intruders had broken into its networks last year and stolen payment card transaction data. Although Heartland didn't disclose the number of card accounts that were compromised, outside estimates from analysts and people within the payment industry pegged the number at more than 100 million. That would make it by far the biggest payment card breach to date; surpassing the 45.6 million card numbers TJX Companies Inc. said were stolen in a breach disclosed in January 2007

The list of financial institutions affected by the Heartland breach now includes those in more than 40 U.S. states as well as banks in Bermuda, Canada and Guam, according to BankInfoSecurity.com.

The Heartland breach already has led to a class-action lawsuit against the company by law

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firm Chimicles & Tikellis LLP in Haverford, Pa. on behalf of a resident of Woodbury, Minn. and others who might have been affected by the data compromise.

A. Lyle Elias
ATMIA Funding Director

ATM & POS NEWS

ATM

- [Diebold Celebrates 150 Years in Business](#)
- [New NCR software lets consumers deposit checks without leaving home](#)
- [Wincor Nixdorf is primary supplier of reverse vending systems for new installations at real,](#)

POS

- [Smart Transaction Systems Selects Hypercom Mobile Network to Extend Reach Certifies Gift and Loyalty Applications on Optimum Countertop and Mobile Payment Terminals](#)
- [Synopsis Selects VeriFone's PAYware CMS to Support Endesa Group's Retail Strategy in Latin America. Card Management System Enables Utility Company to Extend its Business into New Consumer Markets](#)
- [Apriva Certifies VeriFone Vx 510 Countertop Solution for GPRS. Apriva, the leading wireless solutions provider announced the Class A certification of the VeriFone Vx 510 GPRS countertop wireless payment system.](#)
- [Ingenico Introduces On-Guard Solution. Ingenico Announces The First Open Architecture Implementation For Securing Cardholder Data From Terminal To Host:](#)

[Go back](#)

CARD TALK

- [Payments Study Highlights Continued Growth of Credit, Debit Cards](#)
- [NetSpend, Winn-Dixie Introduce Prepaid Reloadable Debit Card](#)
- [H&R Block Bank Selects MasterCard for Debit Brand Exclusivity](#)
- [APACS Releases UK Card Statistics for December 2008](#)

[Go back](#)

FINANCIAL NEWS

- [Smart Card Alliance - Conference Agenda for CTST 2009](#)
- [Economic Confidence Remains Flat among Small Business Owners](#)
- [Walmart Launches "Operation Main Street: Money Management"](#)
- [Complete CFSI Underbanked Consumer Study Now Available](#)

[Go back](#)

INTEGRATED PAYMENTS

- [Mercator Advisory Group Teleconference Series](#)
- [National Payment Card Association Launches GasCapRewards](#)
- [CTIA Announces Industry Guidelines for Mobile Financial Services](#)

- [Fiserv Finds Banks Interested in Offering Mobile Deposit Capture](#)
- [Merchant Risk Council eCommerce Payments & Risk Conference](#)
- [ACH Growth Clips Along](#)

[Go back](#)

EFT SECURITY

- [Minutes of Global ATM Security Alliance and Cognito Meeting 2009-1](#)
- [PCI Compliance Making Headway](#)

[Go back](#)

Diebold Celebrates 150 Years in Business

Commemorates anniversary with launch of its new brand -- Innovation Delivered

NORTH CANTON, Ohio, Feb. 23 /PRNewswire-FirstCall/ -- When Carl Diebold came to the United States from Germany in the mid-1800s, he was determined to use his locksmith skills to build some of the most secure safes in America. Today, 150 years later, Diebold, Incorporated (NYSE: DBD) has grown from that modest beginning to become a world leader in financial self-service and security solutions and services.

This year, Diebold is celebrating its 150th anniversary -- a milestone few companies ever reach. In conjunction with this sesquicentennial, Diebold is also announcing its new brand strategy and tagline -- Innovation Delivered. The company's new mission statement, "We deliver innovative technology and services that make businesses better through a powerful combination of: customer knowledge, inspired thinking and attentive associates," reflects the philosophy of the company's founder.

"This is a very exciting year for Diebold as we reflect on our extensive history and remember the pioneers who came before us, who laid the foundation for our company," said Thomas W. Swidarski, president and chief executive officer, Diebold. "Looking forward to the future, our new brand reflects Diebold's goal to deliver the most innovative solutions to our customers, allowing them to be efficient and create additional value to their businesses."

In 1859, Carl Diebold opened a small safe-and-lock company in Cincinnati, Ohio. In 1871, when 878 Diebold safes survived the Great Chicago Fire, Diebold's brand and reputation strengthened -- as did its sales. Because of the inability to expand operations in Cincinnati, the company moved to Canton, Ohio, in 1872 where local business leaders helped the company build a large factory.

During the next 100 years, Diebold would see its product and solutions base grow. In the 1930s, the infamous bank robber John Dillinger prompted Diebold to create a deterrent system for financial institution branches, which would engulf the lobby in tear gas and cause bandits to flee. And during World War II, Diebold devoted 98 percent of its activities to supporting the American war effort, manufacturing \$65 million in armor plate for more than 36,000 U.S. Army scout cars.

In 1967, the company entered the financial self-service industry, showcasing a prototype of its first-ever multi-functional automated teller machine (ATM), which some say looked like an egg on stilts. Diebold sold its first ATM in the U.S. in 1973, leading the way to today's advanced deposit automation and self-diagnosing ATMs, which are sold around the globe.

Based on its security expertise, Diebold was selected in 2001 to provide the sophisticated safes that protect the original documents of the U.S. Constitution, the Declaration of Independence and the Bill of Rights -- together known as the Charters of Freedom -- in the National Archives Building in Washington, D.C.

Since its inception, the company has grown to become one of the largest -- and oldest -- companies in the financial self-service, security and services markets, reporting 2008 revenue in excess of \$3 billion. The company is preparing for its next 150 years with a renewed outlook on delivering innovation to its customers.

"Diebold's new brand reflects our company's utmost goal to provide exemplary service to our customers," Swidarski said. "As we declare in our vision statement, we intend for our customers to rely on us to provide them with new, innovative solutions that will help them help their customers enter the new age of technology and services."

The tagline, Innovation Delivered, captures the company's new vision statement, "To be recognized as the essential partner in creating and implementing ideas that optimize convenience, efficiency and security."

Diebold's refreshed set of values set the standards for day-to-day operation of the company:

- Integrity -- We are open, honest and responsible for following through on our commitments.
- Collaboration -- We seek opportunities to partner with customers, fellow associates and suppliers.
- Innovation -- We nurture creative thinking that adds value.
- Knowledge -- We encourage continuous development of our skills and expertise to better serve our customers.

To learn more about Diebold's company history through feature stories, video interviews, photos and more, visit www.diebold.com/150, or to read more about Diebold's new brand, visit <http://www.diebold.com/aboutus/brand.htm>.

About Diebold

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

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[Go back](#)

New NCR software lets consumers deposit checks without leaving home

NCR APTRA™ Consumer Passport supports risk monitoring in response to [FFIEC guidance](#)

DAYTON, Ohio - NCR Corporation (NYSE: NCR) today introduced software that will allow consumers to deposit checks into their checking or savings accounts without leaving their homes and without purchasing any new hardware.

This new software, called NCR APTRA Consumer Passport, can be integrated with any financial institution's online banking site and gives consumers the ability to deposit checks remotely, a service previously offered only to businesses.

While accessing an online banking account, consumers can conveniently deposit checks by using a TWAIN-based flatbed scanner. TWAIN is an industry standard interface that allows devices such as scanners to communicate with software applications, and is found in common home scanners and multifunction scanning devices. NCR APTRA Consumer Passport is well suited to consumers who rarely have occasion to deposit checks - such as a child's birthday check or a rebate check - or may not have convenient access to their financial institution.

Once the front and back of the endorsed check is scanned, the image and related data can then be sent electronically through online banking to the financial institution for validation, processing and clearing. For select clients, this remote deposit service could allow for same-day crediting to their accounts, quicker access to deposited funds and detailed deposit reports for improved record keeping.

For financial institutions, the new software directly addresses risk monitoring guidance for remote deposit, as outlined by the [Federal Financial Institutions Examination Council \(FFIEC\)](#). On January 14, 2009, the FFIEC listed the responsibilities of senior managers in overseeing the development, implementation, and operation of remote deposit capture at their financial institutions. NCR APTRA Consumer Passport can support financial institutions with risk monitoring by setting deposit limits per item and transaction, utilizing tools to assist managers in researching transactions, actively logging user deposits and creating reports on audit log activities for both bank users and consumer users.

"We live in a world in which consumers are using more self-service technologies than ever before, and they are also demanding a wider range of self-service options," said Brian Bailey, vice president of Financial Industry Marketing for NCR Corporation. "NCR APTRA Consumer Passport is a reflection of how self-service and sophisticated imaging technology can be used to help consumers connect, interact and transact with financial institutions, while maintaining a high level of security for all parties."

As the latest addition to the [NCR APTRA Passport](#) family, this new software leverages NCR's proven check imaging technology - the NCR APTRA Commercial Passport solution deployed throughout North America. With NCR APTRA Consumer Passport, financial institutions can now extend remote check deposit capture to a broader customer market - seamlessly integrating into the financial institution's end-to-end process for capturing and integrating check images and data into a central operation for clearing and settlement. The new NCR APTRA Consumer Passport software solution can also be integrated with the financial institution's online banking application for streamlined navigation and a seamless user experience.

"Technology is playing an ever-increasing role in helping North American financial institutions transform their business and enhance the customer experience. Beyond improving customer experience and adding a new channel for broadening its customer base, NCR APTRA Consumer Passport gives financial institutions one more way to streamline processes and reduce cost, which is especially critical in today's challenging economy," said Bailey.

Expanding the remote check deposit service to consumers enables financial institutions to further automate and streamline operations, reduce labor and transportation costs, and save time by eliminating the need to physically move these paper-based items through the clearing system. Geographical boundaries are no longer a potential barrier to growing a financial institution's market; with NCR APTRA Consumer Passport, financial institutions can effectively offer branch and ATM services to remote customers, enhancing customer service and increasing deposit activity at minimal cost.

The NCR APTRA Consumer Passport solution is not only a cost-effective way for financial institutions to manage the check deposit process, but it can help them bring more value to the client relationship and drive up loyalty and revenue.

NCR also offers financial institutions online and mobile banking solutions through NCR APTRA™ Mobile Banking and Mobile Business Banking. These industry-leading solutions allow financial institutions to give customers choice in when and where they connect, interact and transact with their bank in a cost-effective and rapid implementation process.

Through NCR's online hosting services, financial institutions can receive superior security and unparalleled application availability. NCR provides hosting services to more than 500 clients worldwide, representing more than 20 million end users and several billion dollars in transactions each month.

About NCR Corporation

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

[Go back](#)

Wincor Nixdorf is primary supplier of reverse vending systems for new installations at real,

Wincor Nixdorf has received an order from the retailer real,- SB Warenhaus GmbH to deliver and install reverse vending systems. The retailer's German stores will be equipped with a total of 120 systems in a rollout that is expected to conclude this year. This order means that Wincor Nixdorf has become the primary supplier of reverse vending to real,- SB Warenhaus GmbH, a METRO Group company. It also strengthens Wincor Nixdorf's position as a supplier of self-service and automation solutions for retail chains.

The contract conclusion was preceded by a very intensive project phase, in which Wincor Nixdorf laid the foundation for its relationship with real,- through an internal optimization of the individual processes. The retailer has ordered Wincor Nixdorf's Revendo 7000 system for processing cans and disposable PET bottles, and the Revendo 8000, which accepts every kind of returnable container: glass bottles, PET bottles, cans and entire beverage crates.

At EuroCIS 2009, Wincor Nixdorf will demonstrate how its reverse vending systems can be integrated in the IT infrastructures of retail stores. The presentation will focus on the secure processing of transaction receipts: through automatic posting of the receipts at the POS system, retailers can ensure that an individual transaction receipt issued by the reverse vending system is only paid or credited once. This results in a significant reduction of inventory discrepancies. And at the end of the day, an overview of transactions can be produced at the touch of a button.

Another feature is intelligent couponing – the generation of discount coupons based on the type of empties returned. This generates considerable advantages for sales control of the store's beverage assortment. These functions are enabled by the open, standards-based interface concept in Wincor Nixdorf's Revendo systems, which ensures seamless communication between the reverse vending systems and the POS.

Customers can also use the system's donation function to donate their deposits to a good cause. However, the greatest benefit of reverse vending lies in its reduction of manual empties processing and the associated increase in the staff's productivity. And the systems have been met with great acceptance by consumers – most customers prefer to return their empty beverage containers at a reverse vending system, especially because waiting times are short.

[Go back](#)

Smart Transaction Systems Selects Hypercom Mobile Network to Extend Reach Certifies Gift and Loyalty Applications on Optimum Countertop and Mobile Payment Terminals

SCOTTSDALE, February 10, 2009 – Hypercom Corporation (NYSE: HYC) today announced that Smart Transaction Systems® (STS) a leading US-based provider of gift card, customer loyalty and stored-value card payment systems, has selected Hypercom's Mobile Network service to extend the reach of its gift and loyalty card programs in the U.S. and abroad.

STS will use Hypercom's Mobile Network service in combination with hand held wireless point of sale terminals to allow mobile merchants, sports events and outdoor venues to accept gift cards or customer loyalty cards anywhere that cellular GSM/GPRS service is available. Short-term solutions are available for festivals, concerts and events.

STS also has also successfully completed certification testing on Hypercom's Optimum T4200 and M4200 multi-application countertop and mobile terminals including the T4210, T4220, T4230 and M4230. Merchants may use any of these models to process STS gift and loyalty transactions, or for check verification and credit card processing from a provider of their choice.

"Hypercom's mobile network service gives us a very efficient way to activate and manage wireless terminals for our sports and special events customers. It vastly simplifies a process that used to be complex and confusing for our customers," said Sarah Bouricius, Marketing Communications Manager, Smart Transaction Systems. "On the international front, we're particularly excited about the fact that we can now activate wireless terminals on GSM networks in over 90 countries utilizing 200 networks. This will help us to better serve merchants in countries where land line services are very limited but cellular service is widely available and affordable."

Smart Transaction Systems and its resellers will market Hypercom's Mobile solutions in combination with its gift and loyalty programs that work across many platforms ranging from brick and mortar stores to online shopping carts and outdoor venues. Merchants may also use the STS system to allow their gift or loyalty cardholders to access their accounts online or check their balance by phone using their STS interactive voice response system.

About Smart Transactions (www.smartrtransactions.com)

Founded in 1998, Smart Transaction Systems provides card-based payment systems and customer loyalty programs to a wide variety of organizations worldwide. For small to medium-sized businesses, Smart Transaction Systems provides hosted gift card and loyalty programs that are reliable, easy to use, and affordable. For larger organizations, the company provides powerful transaction processing systems that allow these organizations to bring gift, loyalty, and private label credit card programs in-house to gain maximum control of these programs. Smart Transaction Systems has operations in Boulder, Colorado, Lodi, Wisconsin, St. Louis, Missouri and Oslo, Norway.

About Hypercom (www.hypercom.com)

Global payment technology leader Hypercom Corporation delivers a full suite of high security, end-to-end electronic payment products and services. The Company's solutions address the high security electronic transaction needs of banks and other financial institutions, processors, large scale retailers, smaller merchants, quick service restaurants, and users in the transportation, petroleum, healthcare, prepaid, unattended and many other markets. Hypercom solutions enable businesses in more than 100 countries to securely expand their revenues and profits. With its acquisition of Thales e-Transactions business in 2008, Hypercom became the second largest provider of electronic payment solutions and services in Western Europe, and solidified its position as the third largest provider globally.

Hypercom and Optimum and Design are registered trademarks of Hypercom Corporation. All other products or services mentioned in this document are trademarks, service marks, registered trademarks or registered service marks of their respective owners. This press release includes statements that may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding market acceptance of new products, product capability and performance, product competitiveness, product sales, revenues and profits, market share, and expected acquisition results and benefits. These forward-looking statements are based on management's current expectations and beliefs and are subject to risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. In particular, factors that could cause actual results to differ materially from those in forward-looking statements include: industry, competitive and technological changes; the loss of, and failure to replace any significant customers; the composition, timing and size of orders from and shipments to major customers; inventory obsolescence; market acceptance of new products and services; compliance with industry standards, certifications and government regulations; the performance of suppliers, contract manufacturers and subcontractors; the ability to successfully integrate the technologies, operations and personnel of acquired businesses in a timely manner; the ability to obtain the expected strategic and financial benefits from acquisitions; risks associated with international operations and foreign currency fluctuations, the state of the U.S. and global economies in general and other risks detailed in our filings with the Securities and Exchange Commission, including the Company's most recent 10-K and subsequent 10-Qs and 8-Ks. Forward-looking statements speak only as of the date made and are not guarantees of future performance. We undertake no obligation to publicly update or revise any forward-looking statements.

[Go back](#)

Synapsis Selects VeriFone's PAYware CMS to Support Endesa Group's Retail Strategy in Latin America. Card Management

System Enables Utility Company to Extend its Business into New Consumer Markets

SAN JOSE, CA - February 16, 2009 – VeriFone Holdings, Inc. (NYSE: PAY), today announced that its PAYware CMS card management has been deployed by Synapsis to support the efforts of Grupo Endesa in a strategic move into new consumer retail markets. Endesa is the number one electricity supplier in Latin America.

Synapsis, Endesa's technology implementation company, awarded VeriFone the contract for PAYware CMS solution and installed it in the Synapsis Chile datacenter, where it is integrated with an existing SAP system and supports Endesa branches throughout Latin America.

The card management software enables Synapsis to function as Endesa's card issuer and acquirer, cost-effectively managing private-label payment card transactions throughout retail sites where Endesa now offers consumers the opportunity to purchase household electronics products.

“Offering card payment options to consumers is critical for Endesa's ability to compete with other retailers and VeriFone provides world-class card management capabilities to maximize the opportunity,” said Business Applications Manager Luis Campos with Synapsis in Chile.

Implemented simultaneously in Peru and Chile during December 2008, to be followed by a potential full-scale rollout throughout Brazil and Colombia, PAYware CMS will enable Endesa and Synapsis to consolidate multiple external and internal card management systems in different areas.

“PAYware CMS provides the Endesa brand with the ability to create new card products for customers and to selectively promote special benefits to cardholders, such as deferred payment, special promotions, while utilizing our PCI DSS validated solution to encrypt cardholder data and prevent fraud,” said Gustavo Jimenez, vice president and general manager of the Integrated Systems Group for VeriFone Latin America and the Caribbean. “Synapsis recognized the opportunities of supporting an extended Endesa retail network with a sophisticated and flexible card management system to increase consumer payment options.”

VeriFone's PAYware CMS will be made available to all distribution companies within Grupo Endesa, which is extending its core utility business by selling household electronics to electricity users. PAYware CMS provides an opportunity to extend consumer options with flexible payments to acquire the goods they need.

PAYware CMS is an enterprise level, state-of-the-art solution for the issuance of any type and number of card products and merchant acquiring services. Highly flexible and configurable, PAYware CMS provides the tools and functionality to manage cardholder and merchant lifecycles in their entirety.

Additional Resources:

www.verifone.com/payware-cms

About VeriFone Holdings, Inc. (www.verifone.com)

VeriFone Holdings, Inc. (“VeriFone”) (NYSE: PAY) is the global leader in secure electronic payment solutions. VeriFone provides expertise, solutions and services that add value to the point of sale with merchant-operated, consumer-facing and self-service payment systems for the financial, retail, hospitality, petroleum, government and healthcare vertical markets. VeriFone solutions are designed to meet the needs of merchants, processors and acquirers in developed and emerging economies worldwide.

About Synapsis (www.synapsis-it.com )

Synapsis, with more than 20 years of presence in Latin America, has been consolidated as one of the most important technology integrators in the region, with a complete offering that covers services and solutions such as Outsourcing IT, Datacenter services, Consultancy and the development and implementation of IT solutions.

The company's competitiveness, in a global environment, relies on its human team's experience, versatility and professionalism and the backing of its industrial and multi-services group, such as Endesa, which offers clients the highest warranty, based on business solutions that are designed by professionals with large market experience and only consider proved, reliable and secure technologies in order to guarantee the best results. At present, Synapsis has offices in Santiago, Chile; Buenos Aires, Argentina; Rio de Janeiro, Brazil; Bogotá, Colombia; Ciudad de Panama, Panama, and Lima, Peru.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 for VeriFone Holdings, Inc.:

This press release includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the forward-looking statements herein due to changes in economic, business, competitive, technological and/or regulatory factors, and other risks and uncertainties affecting the operation of the business of VeriFone Holdings, Inc. These risks and uncertainties include: our ability to successfully manufacture, distribute, market and sell the MX880 and related software applications, our customers' acceptance and adoption of our newly released products and applications, our ability to protect against fraud, the status of our relationship with and condition of third parties upon whom we rely in the conduct of our business, our dependence on a limited number of customers, uncertainties related to the conduct of our business internationally, our dependence on a limited number of key employees, short product cycles, rapidly changing technologies and maintaining competitive leadership position with respect to our payment solution offerings. For a further list and description of such risks and uncertainties, see our filings with the Securities and Exchange Commission, including our annual report on Form 10-K and our quarterly reports on Form 10-Q. VeriFone is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, changes in assumptions or otherwise.

[Go back](#)

Apriva Certifies VeriFone Vx 510 Countertop Solution for GPRS. Apriva, the leading wireless solutions provider announced the Class A certification of the VeriFone Vx 510 GPRS countertop wireless payment system.

SCOTTSDALE, AZ, FEBRUARY 12, 2009 - Apriva, the leading wireless solutions provider announced the Class A certification of the VeriFone Vx 510 GPRS countertop wireless payment system. The Class A certification verifies that Apriva has fully reviewed and tested the solution and its usability on multiple processing partner platforms.

Part of the Vx Solutions portfolio, the Vx 510 GPRS offers superior performance for payment and value-added applications and reduces transaction time to just a few seconds. Apriva's Class A certification of the Vx 510 GPRS countertop wireless solution enables payment transactions to be conducted securely from virtually any fixed location using Apriva's Intelligent Gateway through secure GPRS networks.

"The Vx 510 countertop wireless solution provides merchants with an 'Instant IP' solution, providing broadband speeds without having to worry about Wi-Fi or Ethernet connections," said Paul Rasori, VeriFone Senior Vice President of Marketing. "Apriva's Class A certification of the Vx 510 validates our ability to deliver complete payment security without compromising performance, along with the reliability, scalability and ease of use that merchants have come to expect from VeriFone."

"We are pleased to announce the addition of the VeriFone Vx 510 to our portfolio of certified secure payment devices," commented Bill Clark, Executive Vice President of Apriva.

About Apriva:

Founded in 1999, Apriva is the leading wireless solution provider integrating the hardware, software and network infrastructure required to develop and deploy high-performance, high-reliability solutions in the Point of Sale (POS) and Secure Mobile Messaging markets. Apriva offers end-to-end solutions for Point of Sale that make it easy and cost-effective to develop, deploy and maintain highly secure and reliable business critical mobile applications.

Visit www.apriva.com for more information.

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About VeriFone Holdings, Inc.

VeriFone Holdings, Inc. (“VeriFone”) (NYSE: PAY) is the global leader in secure electronic payment solutions. VeriFone provides expertise, solutions and services that add value to the point of sale with merchant-operated, consumer-facing and self-service payment systems for the financial, retail, hospitality, petroleum, government and healthcare vertical markets. VeriFone solutions are designed to meet the needs of merchants, processors and acquirers in developed and emerging economies worldwide.

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Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 for VeriFone Holdings, Inc.:

This press release includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the forward-looking statements herein due to changes in economic, business, competitive, technological and/or regulatory factors, and other risks and uncertainties affecting the operation of the business of VeriFone Holdings, Inc. These risks and uncertainties include: our ability to successfully manufacture, distribute, market and sell the MX880 and related software applications, our customers' acceptance and adoption of our newly released products and applications, our ability to protect against fraud, the status of our relationship with and condition of third parties upon whom we rely in the conduct of our business, our dependence on a limited number of customers, uncertainties related to the conduct of our business internationally, our dependence on a limited number of key employees, short product cycles, rapidly changing technologies and maintaining competitive leadership position with respect to our payment solution offerings. For a further list and description of such risks and uncertainties, see our filings with the Securities and Exchange Commission, including our annual report on Form 10-K and our quarterly reports on Form 10-Q. VeriFone is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, changes in assumptions or otherwise.

[Go Back](#)

Ingenico Introduces On-Guard Solution. Ingenico Announces The First Open Architecture Implementation For Securing Cardholder Data From Terminal To Host:

The Ingenico On-Guard™ Solution. Ingenico confirms its leadership in payment solutions by introducing a new security feature that encrypts cardholder data utilizing long-standing and proven industry security algorithms and methodologies without any change to the merchant's transaction processor's system.

Atlanta, GA, 7 January 2009

Ingenico announced that they are implementing a new open architecture security enhancement, the Ingenico On-Guard™ solution that will encrypt cardholder data from the transaction terminal to the merchant host, thus adding a significant security layer to card transactions that used to communicate in the clear.

The new solution will be available on the Ingenico terminals sold in North America. “With the increased amount of fraudulent activity in the electronic transaction industry, merchants require secure solutions they can trust to protect the data while in their retail systems. As the leading provider of payment solutions, Ingenico has taken the lead in producing a solution that will cause the least amount of disruption to the merchants business as well as one that is based on industry recognized and supported standards” said Lisa Shipley, SVP, Sales & Marketing, Ingenico North America.

“Unlike our competitors, Ingenico's open standard allows merchants and acquirers alike the freedom to adopt this enhanced security feature without purchasing a proprietary decryption package, or risk adopting a new encryption technology that has not proven itself in

the marketplace. The security algorithms used in the Ingenico's On-Guard™ Solution have been backed by the financial industry for years and have proven to be more than effective in protecting sensitive and private information" continued Shipley. The Ingenico On-Guard™ encryption solution which incorporates MagneSafe™, a state-of-the-art security technology from MagTek, is available for both large and small merchants.

The software is remotely downloaded into the transaction terminal without the need to swap the PIN pad for key injection. This results in a less intrusive fix as well as one that can be performed faster and at lower cost than competitive solutions.

The Ingenico On-Guard™ Solution secures the primary account number and personal information on the magnetic stripe card by encrypting selected information from point of entry (card swipe) to the merchant's host and or the Processor directly. Once received at the merchant's host, a decryption service is provided by Ingenico so the merchant can utilize the data for their approval and settlement purposes with their transaction Processor.

Ingenico will demonstrate the Ingenico On-Guard™ solution at the National Retail Federation Show in New York City, January 11 and 12th, 2009.

About MagTek:

Founded in 1972, MagTek is the leading provider of technology that makes electronic transactions easier, faster, and safer. MagTek has developed many secure product lines that meet the transaction demands of retail, financial and OEM markets. MagTek's wholly owned subsidiary, Magensa, LLC provides cardholder data protection and credential authentication services. As one of the pioneers in the development of industry standards for cards, checks, and PINs, MagTek's products are used by millions of people every day at financial institutions, supermarkets, gas stations, restaurants, casinos, hotels, on airplane seatbacks, ATMs, self-service kiosks and POS terminals. Swipe, scan, dip, PIN, or slide, you're likely to find MagTek security inside. MagTek has sales offices throughout the United States, Europe, and Asia, with independent distributors in over 40 countries.

About Ingenico

Ingenico is the world's leading provider of payment solutions, with over 15 million terminals deployed across the globe. Delivering the very latest secure electronic payment technologies, transaction management and the widest range of value added services, Ingenico is shaping the future direction of the payment solutions market.

Leveraging on its global presence and local expertise, Ingenico is reinforcing its leadership by taking banks and businesses beyond payment through offering comprehensive solutions, a true source of differentiation and new revenues streams.

More information: www.ingenico-us.com.

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[Go back](#)

Payments Study Highlights Continued Growth of Credit, Debit Cards

Hitachi Consulting has announced results of the 2008 Study of Consumer Payment Preferences, a nationwide study conducted by BAI Research and Hitachi Consulting sponsored by First Data, MasterCard Worldwide, Metavante, and PULSE. According to the study, "traditional card-based payment methods already have whittled away the base of check transactions in the United States, and are now impacting consumers' use of cash, with 41 percent of consumers indicating they use cash less often today than they did two years ago."

“More and more consumers are substituting card-based payments in place of cash,” said Ajay Nagarkatte, managing director of BAI Research. “Of those who have reduced their cash use, 97 percent are shifting to credit, debit, or gift/prepaid cards instead.”

Credit Cards

Consumers carry an average of four credit cards in their wallets. However, only 2.2 of those cards are used to make purchases in any given month, underscoring how competitive the credit card market has become. Study findings reflected the consolidation that has occurred in the credit card industry, with 75 percent of consumers’ Visa and MasterCard credit cards coming from 10 issuers.

According to the study, nearly half of all active cardholders revolve at least a portion of their total credit card balance each month. Although a slight majority of cardholders (54 percent) reported they pay all credit card balances in full, 46 percent carry a balance on one or more cards.

A significant driver of credit card use is rewards programs. More than 75 percent of cardholders report having rewards attached to at least one card. Overall, 58 percent of cards earn rewards. For 51 percent of rewards cardholders, rewards have a strong impact on their use of the card.

Debit Cards

Debit cards have enjoyed phenomenal growth over the past few years, and according to the study, signature and PIN debit now account for a combined 37 percent of consumers’ in-store payments. PIN debit is preferred by 45 percent of consumers, while 35 percent prefer signature (20 percent have no preference). Those preferring PIN debit consider it more secure, faster, and easier to use than signature. Consumers preferring signature debit do so for the security, lack of fees, their inability to remember a PIN, and, in some cases, rewards programs.

Gift/Prepaid Cards

Growth of gift/prepaid cards was not as robust as some analysts anticipated. Gift/prepaid cards accounted for only four percent of consumers’ in-store purchases, the same as in 2005. Study findings suggest, however, that the market for open-loop gift/prepaid cards is increasing. Retailer-specific cards continue to dominate the gift card space, but more than twice as many gift card purchasers/receivers bought or were given a general purpose gift card in 2008 as were in 2005.

“Today’s card-based payments have done much to erode the base of paper transactions in the U.S.,” said Chris Allen, director, Consulting Services, Financial Services Practice at Hitachi Consulting. “And emerging payment methods like contactless and mobile are likely to take it further still.”

About the Study

The 2008 Study of Consumer Payment Preferences is based on a nationally representative sample of 3,308 U.S. consumers in June 2008. For more information or to inquire about purchasing the study, contact Chris Allen, director, Payment Strategy Group, Hitachi Consulting, at 617-753-9250 or Ajay Nagarkatte, managing director, Syndicated Research, BAI, at 312-683-2486.

[Go back](#)

NetSpend, Winn-Dixie Introduce Prepaid Reloadable Debit Card

NetSpend and Winn-Dixie have announced the introduction of a prepaid, reloadable debit card in all 520 stores in the southeast. Jacksonville, Florida-based Winn-Dixie will be a distributor of general purpose prepaid reloadable debit cards developed, marketed and processed by NetSpend as an agent of Inter National Bank, the issuer of the cards.

NetSpend launched its prepaid reloadable debit card purchase and card reload services in 54 Winn-Dixie stores on November 11, 2008, and will be expanding to all of its 520 stores during the first half of 2009.

“We are excited to partner with such a well-respected retailer,” said Dan Henry, chief executive officer of NetSpend. “Winn-Dixie is a great fit for our business model and we look forward to a long, successful partnership.”

“The addition of NetSpend’s prepaid reloadable debit card is one more way for Winn-Dixie to offer value and convenience to our customers during these challenging economic times,” said Dan Portnoy, chief merchandising and marketing officer for Winn-Dixie Stores, Inc. “We are very pleased to be able to feature NetSpend’s reloadable debit card as part of our prepaid offerings.”

[Go back](#)

H&R Block Bank Selects MasterCard for Debit Brand Exclusivity

MasterCard has announced "a contract extension and five-year Debit MasterCard signature and PIN brand exclusivity agreement with H&R Block Bank, owned by H&R Block Inc., the world’s preeminent tax services provider. Under the multi-year agreement, H&R Block Bank will participate exclusively in the MasterCard network, to take advantage of simpler processes, more control and greater cardholder insight when managing its debit portfolio."

H&R Block Bank, a Federal Savings Bank and member FDIC, is the issuer of the H&R Block Emerald Prepaid MasterCard®, a prepaid card that can provide H&R Block’s retail tax clients with flexible, convenient and secure access to tax refunds, payroll funds or other direct deposits. H&R Block Bank issued more than 2.6 million cards last year and expects to increase the number to 3 million this tax season.

The H&R Block Emerald Prepaid MasterCard is offered primarily through the company’s network of 13,000 offices. Cardholders have the ability to reload cash to their cards at more than 40,000 retail locations across the U.S. The card also supports direct deposit of payroll funds, enabling H&R Block clients to avoid high check-cashing fees and take advantage of many of the benefits offered by a traditional bank account.

“By choosing MasterCard as its exclusive debit brand, H&R Block gains efficiencies in its card program and actionable insight into its growing portfolio,” said Bill Mathis, Group Executive, U.S. Relationship Management, MasterCard Worldwide. “We believe H&R Block is well-positioned to continue to deliver a superior card product and exceptional experience to its cardholders with MasterCard as its exclusive debit brand.”

[Go back](#)

APACS Releases UK Card Statistics for December 2008

APACS, the UK payments association, has announced December 2008 spending figures showing that spending on plastic cards over the Christmas period reached £32.3 billion - up 0.3% from 2007, with £4.7 billion spent online. Debit card spending grew to £21.6 billion, up 3.1%, while credit card spending declined to £10.8 billion, down 4.8% from 2007.

Sandra Quinn, Director of Communications said: “December’s plastic spending figures reflected the unprecedented events that took place in December. Whilst the number of transactions was higher than in December 2007, average transaction values fell, no doubt influenced by price discounting by many major retailers and the VAT cut. Also, this fits in with what supermarkets were reporting – in that people were buying the same number of items but opting for cheaper budget alternatives.

“The fall in credit card spending follows the trend we’ve seen over the last four years with customers continually preferring to put most of

their card spending on debit card.”

In comparison to December 2007, total plastic spending in December 2008 rose by a mere 0.3 per cent by value, but in terms of volume increased by 4.2%. Credit card spending dropped by both value and volume, falling 4.8 per cent and 2.2 per cent respectively from £11.3 billion (192 million transactions) to £10.8 billion (187 million transactions).

Similarly debit card spending has increased 3.1 per cent by value and 6.7 per cent by volume from £20.9 billion (498 million transactions) to £21.6 billion (532 million transactions).

Although spending in December 2008 was comparatively flat when compared to December 2007, spending on debit cards is currently growing at an annual rate of 9.5%, having increased from £224.0 billion in 2007 to £245.4 billion in 2008. Annual spending on credit cards is currently growing at 1.9%, having increased from £123.9 billion in 2007 to £126.3 billion in 2008.

[Go back](#)

Smart Card Alliance - Conference Agenda for CTST 2009

The Smart Card Alliance has announced the agenda for the [CTST The Americas 2009 Conference](#) being held May 4-7, 2009 at the Ernest N. Morial Convention Center in New Orleans.

CTST 2009 is the place to see cutting edge presentations and case studies, learn best practices, meet with innovative vendors, witness live demonstrations, network with industry peers and more.

The Smart Card Alliance, as part of a continuing partnership with CTST and SourceMedia, is once again producing the conference program as its official annual meeting. The Alliance has built the conference program around the theme of “Enabling Secure Identity and Payments in a Mobile World.”

“Our increasing mobility—using cell phones, the Internet and digital transactions—has changed the way we interact and the way our identity, payment and other information is handled and used,” said Randy Vanderhoof, executive director of the Smart Card Alliance. “What can we do to keep our information protected? Our conference program will cover all of the newest business applications and technology developments in identity, payments, government, mobile communications, healthcare and transit applications, and how these developments translate into business opportunities in a new, more mobile, world.”

More than 120 speakers will cover a wide range of topics divided into four main tracks—Identity & Security, Payments & Applications, Mobile & NFC, Emerging Technology—and two one-day spotlight tracks—Healthcare and Latin America. Attendees can pick the sessions that interest them most, and leave time to visit the exhibit hall. Keynote sessions start each day, bringing together executives from the payments, security and mobile industries for interactive roundtable discussions. Attendees can meet with colleagues during dedicated networking sessions during the day and at the evening receptions sponsored by the Smart Card Alliance and other supporting sponsors.

Three pre-conference workshops from the Smart Card Alliance, Collis and OATH are offered this year, covering the topics of “Smart Card Technology and Payments Applications,” “Mobile & Contactless Payments from EMV to NFC,” and “OATH Initiative for Open Authentication Workshop,” respectively. The Alliance will also present its “Outstanding Smart Card Achievement” (OSCA) awards at a Networking Reception on Monday night, May 4. The OSCAs recognize the issuing organization, technology organization and individual that have significantly impacted and influenced the market for smart cards in North America.

The complete agenda and full registration details are available on the [CTST Web site](#). Early registration discounts and the conference rate at Hilton New Orleans Riverside hotel expire on April 4, 2009. Smart Card Alliance members receive one free registration at CTST and qualify for a \$200 discount off additional paid registrations.

CTST 2009 sponsors are Collis, First Data, Gemalto and Oberthur Technologies.

[Go back](#)

Economic Confidence Remains Flat among Small Business Owners

Economic confidence among the nation's 22 million small business owners remained flat in February, gaining only a half-point over the previous month in the latest Discover Small Business Watch. The monthly index rose to 71.9 in February from 71.4 in January.

"Even the anticipation of a massive federal stimulus package couldn't move the needle of economic confidence any higher for small business owners this month," said Ryan Scully, director of Discover's business credit card. "More than half of small business owners plan to decrease spending on business development in the next six months, which matches the low point in this category set in November 2008."

February Findings:

51 percent of owners say they plan to decrease spending on business development over the next six months, up from 46 percent in January; as 21 percent plan an increase; 25 percent see no change; and 3 percent aren't sure.

19 percent of owners see conditions for their businesses improving, up from 17 percent who felt the same in January; while 54 percent see conditions getting worse, also an increase from January; 22 percent say conditions are the same; and 6 percent aren't sure.

64 percent rate the economy as poor this month, up from 61 percent in January; 26 percent rate it fair and 10 percent rate it excellent or good.

12 percent feel the economic conditions in the U.S. are getting better, up from 8 percent in January. The number of owners who believe the U.S. economy is getting worse remains unchanged from January at 69 percent; as 14 percent see it staying the same; and 5 percent aren't sure.

The number of owners who say they have experienced temporary cash flow issues in the past 90 days rose to 42 percent in February, up from 38 percent in January.

This month's Watch also indicates that experience makes a difference in the economic confidence of small business owners. The Watch's confidence index for owners who have only been in business for the last two years is a dismal 50.5 in February, compared to those who have been in business six to 10 years, whose confidence score is 84.8.

When asked about the American Recovery and Reinvestment Act, 70 percent of small business owners say they are not aware of any provisions in the package that could help their businesses; 16 percent aren't sure; and only 14 percent said they were aware of elements that could help their businesses.

"It's still early to sort out the details of the package, but indications are that small business owners aren't expecting much help," Scully said.

APACS has released [full year 2008 data for payments in the UK](#) . Highlights from the full year's data include:

Plastic cards: Total debit and credit card spending was up in 2008 in terms of both value and volume, increasing 6.8% and 7.4% respectively.

Debit cards dominate card spending - accounting for 73.5% of all plastic card purchase transactions in 2008.

There were 42.1 million debit cardholders with 75 million debit cards in issue at the end of 2008, compared with 30.1 million credit card holders with 71 million credit cards.

The number of debit cardholders and cards in issue increased by 1.0% and 4.7% respectively, whereas the number of credit card holders and cards in issue decreased by 2.1% and 2.4% respectively.

Cheques: During 2008, the number of cheque transactions went down by 10.4%, total values declined by 7.1%.

[Go back](#)

Walmart Launches "Operation Main Street: Money Management"

Walmart has announced that it is "stepping up efforts to provide affordable access to essential money services for the growing number of underserved Americans, including the millions who are not using traditional checking accounts to manage their finances. Dubbed "[Operation Main Street: Money Management](#)," the program includes a \$3 Rollback price on the Walmart MoneyCard and a focus on financial literacy."

Combined, Walmart expects this effort - and its everyday low prices on money services like check cashing, bill payment and money transfers - to help consumers stretch family budgets and save more than \$500 million in money service fees this year.

"Now more than ever, our customers continue to trust Walmart to do what we do best - save them money on the products and services they need everyday," said Eduardo Castro-Wright, vice chairman, Wal-Mart Stores, Inc. "Financial issues are the number one concern for our customers, and accelerating our efforts to provide affordable financial services will help them live better."

Beginning today, Walmart will offer the Walmart MoneyCard, a reloadable, pre-paid Visa debit card, for only \$3. The new \$3 purchase price will provide the more than 35 million American families underserved by traditional financial institutions many of the advantages of a checking account, including depositing their paychecks on a safe and secure card, checking their balances, paying bills and shopping anywhere Visa debit is accepted. The Walmart MoneyCard is now expected to save customers \$50 million annually compared to similar cards. In addition, the card has no overdraft fees.

"Customers who use the Walmart MoneyCard tell us that we're making a difference in their lives and helping them get their finances under control. The reduced fees on the Walmart MoneyCard will save our customers millions of dollars," said Jane Thompson, president, Walmart Financial Services. "We will continue to lower prices on the money services that we know our customers need."

Focus on Financial Literacy

Declaring today national "Money Management Day," Walmart is working with Visa to make financial literacy tools available to customers nationwide. Available at <http://www.walmartstores.com/moneymanagement>, Visa's Practical Money Skills for Life is a comprehensive program designed to help consumers manage their money wisely.

"Today, more than ever, Americans want to stay in control of their daily finances, and reloadable prepaid cards - like the Walmart MoneyCard - can help people better manage their money and spend within their means," said Bill Sheedy, president, North America, Visa Inc. "Together, the built-in budgeting capabilities of Visa prepaid cards, Rollback pricing and easy access to our free financial management tools will be especially valuable in helping consumers."

In addition, Walmart is bringing financial experts to select stores to provide expert advice and give customers the tools they need to manage their money. Best-selling author of *Girl, Get Your Money Straight!*, Glinda Bridgforth, and Univision's financial expert, Julie Stav will meet with customers in Walmart MoneyCenters in Atlanta and Houston respectively, to showcase their top money management tips.

"For those living from paycheck-to-paycheck, affordable access to basic money services like check-cashing, money transfers and reloadable pre-paid debit cards can be key to getting back on track and having finances that are in order," said Bridgforth. "Walmart is setting an example and demonstrating how businesses can support - and help - Americans facing financial challenges."

Associate Support

Walmart will also begin offering its 1.4 million U.S. associates a special Associate value. Associates will receive a credit of the initial \$3 purchase fee for the Walmart MoneyCard, no monthly fee, and free direct deposit reloads when they sign up for Walmart direct deposit. The company expects this new offering to make managing finances easier for associates who do not use a bank account. Walmart already waives the fee for the hundreds of thousands of paper checks it cashes for its associates every payday.

The Walmart MoneyCard Advantage

Available for customers without requiring a credit check or previous bank account, the Walmart MoneyCard is a convenient, safe alternative to carrying cash, having a checking account or charging a credit card. Because it is a pre-funded card, customers spend only what they have and cannot be hurt by unexpected overdraft or late fees. In fact, those choosing to replace their basic checking account with a Walmart MoneyCard would avoid overdraft and insufficient funds fees, which reached over \$24 billion in the U.S. in 2008.

Under the new \$3 pricing structure, customers will pay a one-time cost of \$3 to purchase and activate the Walmart MoneyCard, a \$3 charge for reloads at Walmart, and a \$3 monthly fee. Even better, many Walmart MoneyCard customers use their card in ways that minimize fees. For example:

If customers reload with direct deposit or after cashing their paychecks at Walmart, there is no reload fee.

If customers load at least \$1,000 per month, the \$3 monthly fee is waived.

If customers access cash back at the register instead of ATM's, there is no withdrawal fee.

The Walmart MoneyCard is accepted at approximately 29 million Visa merchant locations worldwide and can be reloaded at tens of thousands of Green Dot retailer locations. In addition, the Walmart MoneyCard helps customers manage their spending with free daily cell phone or email balance alerts, free balance inquiries at Walmart stores and online transaction history at <http://www.walmartmoneycard.com>.

Expanding Community Partnerships

The Wal-Mart Foundation is also helping ensure that Walmart customers have the resources they need to become more financially fit. A recently announced \$3.6 million Wal-Mart Foundation grant to United Way and One Economy, a non-profit organization that helps low-income Americans enter the economic mainstream, is funding five "Mobile Tax Center" vans visiting communities throughout the country to increase awareness of the Earned Income Tax Credit (EITC). The grant will also fund more than 90 United Way-supported Volunteer Income Tax Assistance campaigns - all in the hopes of returning millions in EITC refunds and saving millions in tax preparation fees.

The Walmart MoneyCard is issued by GE Money Bank, member FDIC, pursuant to a license from Visa, U.S.A. Additional services are provided by Green Dot Corporation (GDC). For additional information on "Operation Main Street: Money Management" and the \$3 Walmart MoneyCard, visit <http://www.walmartmoneycard.com> or <http://www.walmartstores.com/moneymanagement>. For information on the Wal-Mart Foundation and its work with the United Way and One Economy, visit <http://www.walmartfoundation.org>.

[Go back](#)

Complete CFSI Underbanked Consumer Study Now Available

The Center for Financial Services Innovation (CFSI) has announced the availability of the complete CFSI Underbanked Consumer Study for purchase. Included will be the full study results and tailored business recommendations for serving the underbanked population from CFSI, the leading expert on the underbanked market.

Since June 2008, CFSI has released limited results from the study, including a definitive number and description of the national underbanked population: 106 million U.S. adults – 40 million households – who are financially underserved, either lacking a bank account or regularly using non-traditional financial services to meet their financial needs.

The CFSI Underbanked Consumer Study profiles eight distinct segments of the underbanked population. For example, the largest segment of the underbanked population is the Next Wave, representing approximately 23% of the underbanked—a total of 24 million consumers. The Next Wave is the youngest segment with 52% between ages 18-34. Because this group generally has no bank account but is highly entrepreneurial with a strong ambition for the future, CFSI suggests the following strategies for reaching the Next Wave:

Use transaction services to upsell into prepaid cards.

Offer links to small business services, financial advice and credit-building services.

Invest long-term, as this group has big plans for the future.

Lenders trying to reach this group should provide small dollar, revolving credit and need to calibrate underwriting to new/infrequent borrowers.

“The CFSI Underbanked Consumer Study is a big leap forward in understanding these customers, and provides a crucial building block in constructing successful long-term relationships with them,” says Jennifer Tescher, Director of CFSI. “Our experience working with national, regional and community level institutions has shown us that better customer information leads to better results.”

CFSI employs its wealth of industry knowledge and solid strategic advice to add depth and value to the results of this study, including specific recommendations for product development, risk management, and marketing and distribution strategies for each of the eight segments.

In addition to strategic advice, cross-tabs analyzing financial behavior and attitudes for groups of underbanked consumers based on age, gender, household income, ethnicity, employment status, marital status, banking status, behavioral segmentation and analysis of the credit scores of different groups of underbanked consumers are available for purchase.

The CFSI Underbanked Consumer study was co-sponsored by four companies, including Citi, H&R Block, and MasterCard. CFSI and these sponsors commissioned Experian Simmons to conduct a national segmentation analysis of underbanked consumers according to their attitudes, behaviors, preferences, needs and experiences. The findings are a result of a survey of 2,799 underbanked respondents, representative of the U.S. adult population

For more information or to purchase the complete CFSI Underbanked Consumer Study, please contact Rachel Schneider at segmentation@cfsinnovation.com or call (312)881-5816. To view the limited results already released from the CFSI Underbanked Consumer Study, [visit our website](#).

[Go back](#)

Mercator Advisory Group Teleconference Series

Mercator Advisory Group, the leading provider of research exclusively focused on the payments industry, is proud to present our teleconference series. Each month, a leader from our analyst team will host a dial-in conference to address key payments issues. A PowerPoint presentation will be sent to you prior to the presentation.

These events are available to any registered attendee. To register for an event, simply provide your contact information below. Be sure to select the appropriate teleconference in the dropdown menu. To register for more than one, please indicate this in the comments box. If you have any questions regarding the registration process you can reach us via email at info@mercatoradvisorygroup.com or phone (781) 419-1700.

The next scheduled presentation is:

Reload Networks and the Growing Interest in GPR Card Teleconference

February 26, 2009 1:00pm EST (1 hour)

Brent Watters, Senior Analyst, Mercator Prepaid Advisory Service

Please join us February 26, 2009 at 1 p.m. for an overview of "Reload Networks and the Growing Interest in GPR Card Issuing."

This teleconference will revolve around growing interest in general purpose reloadable products (GPR) and whether or not the current retail reload networks properly support the growth of the products. Discussed will be the attributes and strategies of today's leading reload networks supporting open loop solutions in retail environments and insights into the complex atmosphere in which these networks operate and the challenges they face and pose. Also discussed will be Mercator's definition of a reload network, an overview of the success factors needed to operate a reload network including a discussion on pricing, an overview of the two options in today's market for reloading open loop cards at the POS, a snapshot of the regulatory environment surrounding reload and profiles of the leading networks and their competitors in the retail space.

[Go back](#)

National Payment Card Association Launches GasCapRewards

[National Payment Card Association](#), an early player in ACH decoupled debit cards with payment settlement system that offer merchants lower transaction fees than credit or debit cards, has announced it has launched [GasCapRewards](#), a nationally branded, lower-cost, turnkey payment system.

[2009 CNP Payment Forum Conference - Barcelona, May 11-13](#)

The [CNP Payment Forum](#) (previously titled DRF EU) has announced its 6th annual conference to be held in Barcelona on May 11-13, 2009.


The conference will address many of the payment management issues affecting merchants involved in distance selling. In addition, merchants themselves will share their experiences and will provide advice on how to increase revenues and reduce costs with the right payment strategy.

Experts from all areas of the CNP space will present on topics such as payment acceptance in emerging markets, advanced management of card operations, recurring business challenges and chargeback management, to name a few.

Also, in a unique cooperation with the Merchant Risk Council, a portion of the forum will be exclusively dedicated to fraud management – a topic foremost in merchants' minds in today's environment.

[Go back](#)

CTIA Announces Industry Guidelines for Mobile Financial Services

The CTIA has published "[Best Practices and Guidelines for Mobile Financial Services \(MFS\)](#)"  - which were unanimously approved by America's leading wireless carrier companies. According to the CTIA, "this voluntary initiative was developed to provide consumers with a high level of safety and security for mobile banking, commerce and payments products and services."

"The Best Practices and Guidelines will help educate consumers, stakeholders and policymakers about the measures MFS Application Providers will be enabling to protect customer account information," said Steve Largent, President and CEO of CTIA-The Wireless Association®. "We are pleased that the wireless industry has developed these Guidelines to protect consumers today and in the future."

The purpose of the Best Practices and Guidelines for MFS is to promote clear and rewarding consumer experiences, to establish an environment where MFS transactions are authorized, secure, and compliant with applicable laws and industry guidelines, and to protect user privacy and financial data. Areas covered by the guidelines include data security, consent, disclosure and account information access,

which are critical areas to assure wireless users of safety, security, and privacy. Overall, the Best Practices promote responsibility by the Application Providers to protect consumer information in all stages of a transaction.

“When it comes to the future of mobile banking in the U.S., the key to ensuring a positive consumer experience is the vigorous protection of customer account information,” continued Largent. “The Guidelines address these important privacy concerns and help to set expectations of what MFS products and services will look like in the U.S.”

Many security issues that are prevalent today, such as online fraud and identity theft, didn’t even exist a decade ago. The Best Practices and Guidelines are flexible enough to anticipate future developments in MFS, technology advances for security measures, and will remain effective even though the types of future threats cannot be defined today.

Copies of the “Best Practices and Guidelines for Mobile Financial Services” are now available.

CTIA is the international association for the wireless telecommunications industry, representing carriers, manufacturers and wireless Internet providers. <http://www.ctia.org>.

[Go back](#)

Fiserv Finds Banks Interested in Offering Mobile Deposit Capture

Fiserv has announced the results of recent market research that quantified the interest among banks and credit unions for mobile deposit capture and gauged their views on potential customer acceptance. Mobile deposit capture is an extension of remote deposit capture (RDC) that enables checks to be deposited anywhere via a mobile phone equipped with a camera to create and send an image of the check.

Fiserv research indicates that financial institutions believe select market segments would find value in mobile deposit capture and that these segments would be willing to pay for the service. Some of the more telling research results include:

One-third of respondents see a need to offer mobile deposit capture services to their business customers.

All respondents from the in-depth focus groups stated they would be looking for a vendor that has significant RDC and mobile banking experience.

70% of respondents agree that their business customers would benefit from having check deposits scanned in the field.

The majority of respondents indicated that small and large businesses that sell products and services at the buyer’s location (such as home appliance repair businesses and food and beverage distributors with trucks in the field) are their primary targets market for mobile deposit capture

Nearly all respondents indicated that businesses within these segments would be willing to pay for mobile deposit capture services, making the ability to offer them potential revenue opportunities for banks and credit unions.

The majority of respondents indicated that any mobile banking application would have to include Login and Logout Authorization (FFIEC), 128 bit encryption of data on phone, SSL over the air and Check 21 Compliance.

Respondents further identified that they would first consider offering mobile deposit capture services to their small- and medium-sized business customers currently not using merchant or corporate capture.

“Mobile scan technology is a natural evolution of remote deposit capture and a logical way for financial institutions to expand their remote deposit capture client base,” said Bob Meara, senior analyst, Celent. “Financial institutions will likely look to current RDC technology providers to bring to market targeted solutions like mobile deposit to address high value market segments.”

Teri Carstensen, president Fiserv Item Processing and Payment Solutions Division, noted, “Fiserv is uniquely positioned to address every dimension of a mobile RDC implementation from our award-winning RDC technology to our industry-leading online and mobile banking solutions. With consumers today capturing deposits from multiple sources, our goal is to create a universal platform that enables deposits anywhere, anytime. More than 1,100 banks already rely on Fiserv for our expertise in deposit capture.”

Fiserv’s market research was derived from a Fiserv-sponsored online survey of clients in October 2008. Approximately 318 customers from 294 banks and credit unions participated in the study. Fiserv also held several in-depth focus groups that augmented the online research. Nearly 90 percent of the respondents were experienced executives with titles of vice president or higher.

Fiserv conducted the market research in connection with its Source Capture Optimization™ approach, which offers financial institutions the ability to enhance functionality of all sources of deposit gathering. This includes branch, teller, ATM, merchant, regional and consumer capture solutions. The Fiserv goal is to offer clients the opportunity to leverage an integrated source capture platform that enables consistent functionality for all deployment models including in-house, outsourced and ASP. Fiserv is the only technology provider that offers both remote deposit capture for consumers and businesses on a single SOA-driven technology base.

[Go back](#)

Merchant Risk Council eCommerce Payments & Risk Conference

The [Merchant Risk Council](#) is holding its [7th Annual e-Commerce Payments and Risk Conference](#) at the Wynn Las Vegas Resort on March 10-12, 2009. Former US Congressman, Governor of Pennsylvania and the nation’s first Secretary of Homeland Security, Tom Ridge, will be a special keynote speaker at the event.

The primary themes of the MRC's 2009 conference are: Fighting New Patterns of Fraud and Cybercrime; Emerging Risk Management Trends; and Global Online Payment Strategies. Travelocity.com founder Terry Jones will deliver the conference’s official opening keynote speech, focusing on the business of innovation. The conference’s closing keynote will be delivered by Dateline NBC correspondent Chris Hansen, sharing his findings on the rapidly maturing underworld of cybercrime.

For the full conference schedule, please visit the MRC website at <http://www.merchantriskcouncil.org>.

[Go back](#)

ACH Growth Clips Along

Fourth quarter 2008 ACH payments grew by 4.5 percent over the same period in 2007, topping 3.8 billion, according to statistics released by NACHA – The Electronic Payments Association.

Internet-initiated ACH payments (known as “WEB” entries) experienced robust growth, increasing 16.5 percent over 4th quarter 2007 volumes. Strong growth also occurred with certain business-to-business payments (known as “CTX” entries) in which remittance information is exchanged electronically.

“The continued growth of ACH transactions during a period of intense economic pressures speaks to the fundamental value that financial institutions, businesses, governments, and consumers recognize in the ACH Network,” said Janet O. Estep, NACHA president and chief executive officer. “The inherent safety, security, and efficiency of the ACH Network are resonating, as seen through the growth in specific market segments.”

The newest check conversion transaction – back-office conversion (known as “BOC”) - grew to over 39 million payments in 4th quarter 2008, from 3 million payments a year ago, as several national retailers are implementing BOC programs. BOC volume increased 49

percent from 3rd to 4th quarter 2008. Other ACH payment types tied directly to consumer check writing have leveled off as the use of checks continues to decline.

[Go back](#)

Minutes of Global ATM Security Alliance and Cognito Meeting 2009-1

Thursday 19th February, 2009

Introduction and approval of previous minutes - 5 November 2008

Mike Lee welcomed all participants to the 1st teleconference of 2009 for GASA and Cognito users. The minutes of the previous teleconference on 5 November 2008 were accepted without changes.

GASA, Cognito and global police database – update

Mike Lee gave an overview of the updated GASA radar screen (below). No issues or items were added to it. Mike reminded members to keep him informed of new threats or to share fraud alerts as he will continue to be the central contact point for GASA communications and projects.



He thanked Alan Townsend for almost doubling the size of the global police database since our last teleconference from 70 to 140 law enforcement contacts.

A discussion was held regarding ram raids in Texas. George Palmer reported an increase in ATM attacks since the economic recession started, with higher losses. It was thought that the ram raid committee work in Texas, led by Cindy, had slightly slowed down the ram raids. However, Mark Coons pointed out that there was still a long way to go in terms of ensuring risk management and security best practices are properly implemented. It was suggested ATMIA could set up a committee of ISOs who share security best practices in a non-competitive, confidential setting. Mike will take this up with Cindy to raise at the next ram raid meeting.

Mike pointed out that the main focus of GASA for the next few months will be the ATM software security best practice review which encompasses attention to the upcoming PCI for ATM standard. He invited members to participate. The ATM software governance best practices will be published before June.

There is a PCI ATM conference call next week:

Day/Date: Tuesday, February 24, 2009
Time: 11:30am US Eastern
Call Info: 1-218-486-7200
Bridge: 453681

Moderator: Mike Lee, CEO –ATMIA

Panelists:

Bob Russo, General Manager -PCI SSC
Leon Fell, Senior Systems Architect -Visa Inc.
Joe McGinley, Manager, Global Software Security –Diebold

There is also a PCI ATM webinar co-hosted with ATMmarketplace.com on 10 June.

There were no proposals for other security best practices to be developed after the ATM software review. There were also no fraud alerts to be distributed via ATMIA and GAS channels.

Revamping Cognito

Riaan reported that Cognito will receive a graphical face-lift in March to create a more attractive interface. The Gallery of Solutions will have a 3-D look. Members will also be enabled to upload their own data and do their own data analysis on the system. Mike mentioned there were over 10,000 crimes recorded on the system but the data was under-utilised. The new software will enable high-speed analysis and greater searchability and indexing.

Riaan reported there are about 26 regular uses of Cognito, about 10% of the registered users. It was hoped that the new look Cognito, being more interactive, would push up that usage level.

Moving towards global analysis in GASA/Cognito

Mike said Cognito would focus on global analysis in 2009, starting with an analysis of trends in the modus operandi of ATM crimes.

It was decided to send information alerts via email when new crime reports and other material is posted on Cognito to increase traffic to the system.

Next teleconferences:

DATE 2009	EST	LOS ANGELES	GMT (LONDON)	SA	Hong Kong
21 May	10 am	7am	3pm	4pm	10pm

15 July	10 am	7am	3pm	4pm	10pm
7 October	10 am	7 am	3pm	4 pm	10pm

[Go back](#)

PCI Compliance Making Headway

Compliance with the PCI data security standard appears to be trending in the right direction, certainly among large and midsize merchants. Figures recently released from Visa Inc. say 65 percent of the largest merchants have validated their compliance to the PCI DSS, up from 36 percent in December 2006. Midsize merchants are complying, as well, with 43 percent now in compliance compared with just 15 percent at the end of 2006.

"Plus, another 33 percent are on the road to compliance," adds Robert Russo, general manager with the PCI Security Standards Council. "This means they're already submitting their compliance plans."

Securing Data Wherever It Travels

The time when enterprises can build a ubiquitous encryption and digital rights ecosystem may not be that far away

Over the years, IT managers have struggled to ensure data is encrypted while it travels across the network, and as it resides on disk -- whether that's within the data center, on network-attached storage, or in individual workstations. In an attempt to better manage data, some enterprises have tried to create so called "zones of trust" that are designated to handle data at varying degrees of sensitivity.

"These approaches really don't work over the long term, because data is constantly being accessed by users, moved, and replicated," says Pete Lindstrom, research director at Spire Security.

Of course, Lindstrom isn't arguing that users shouldn't access and use enterprise data, but he is suggesting that the weakness in the approaches to encryption and data security is the fact that users must unencrypt data to be able to access and manipulate it. Then that data can often be freely moved to thumb drives, personal notebooks, and even emailed to anybody. Desktop encryption tools, such as PGP, BitLocker for Windows, and open-source TrueCrypt disk encryption, require users to take too many actions and make too many decisions on the data they use to be practical.

"When people are forced to classify data, they classify everything as top secret or everything is marked non-sensitive, and it's part of the reason why organizations will continue to have leaks and breaches," says Christofer Hoff, chief security architect at IT services provider [Unisys](#).

However, the convergence of Data Leak Protection (DLP) and enterprise Digital Rights Management (eDRM) software with document management and enterprise content management applications and eventually into the operating system and networking protocols means enterprises may be able to build a security framework where encryption and access rights to information actually travel wherever data flows.

This promise has been made before, albeit prematurely, in the marketing campaigns of individual eDRM vendors such as Authentica (now owned by [EMC](#)), [Liquid Machines](#), and others that promise to let enterprises control various access privileges to documents, such as who can view, print, or forward information. While useful for many organizations, the technology needs to be engrained within the fabric of the IT infrastructure to be really effective.

These trends, analysts say, are already well underway. EMC in 2006 bought Authentica to add to its Documentum platform, and [Microsoft](#) is building eDRM capabilities directly into its Microsoft Office SharePoint Server 2007 content management and collaboration software. The trend is extended further by the recent partnership among RSA Security Inc., the security division of EMC Corp., and Microsoft. Under this partnership, Microsoft will integrate RSA's DLP Suite 6.5 with Microsoft's Active Directory Rights Management Services within Windows Server 2008. Another would be between Liquid Machines and [McAfee Inc.](#), which will integrate McAfee's DLP platform with Liquid Machines's eDRM platform.

The convergence of content management platforms and eDRM should help enterprises better assign rights to controlled data, according to Lindstrom. "The most challenging data [to encrypt or apply security policies] is the user-generated data where they have to self-classify data," he says. "But if you have a central repository, an authoritative source, such as those in Sharepoint and Documentum, you can force that application of policies. This way, when data is shared within and outside the organization, you can apply security policy to it."

Unfortunately, to have pervasive access rights and encryption applied to all work files, the ability to classify data needs to be automated whenever possible and embedded within the workflow of an organization -- not attached to files after they're created or only applied as documents are checked in and out of content management systems. To ensure that eDRM reaches that level of sophistication will be one of the final hurdles to ubiquitous rights management. "People don't like anything being added to their workflows. They strongly resist even the seemingly most minor of extra steps," says Hoff. "What we really need are intelligent ways of ubiquitously classifying data, not tagging it after the fact, and then apply policy and basic routing decisions within the infrastructure to control how that information is secured and managed."

While there's no technology that is close to realizing that vision, applications such as the eDRM abilities in Documentum and Sharepoint are heading that way. "We are also seeing some of this technology being bundled into the operating system, which is Microsoft's long-term vision," says Hoff.

While a ubiquitous security framework that assigns access rights and security policies to documents on-the-fly is years away, both Lindstrom and Hoff agree that enterprises need to pay more attention to DLP and eDRM today.

"The solutions are not fully baked, as we're still in the early adoption stages of this right now," notes Hoff. "But the adoption curve is in action. When you see large life-cycle management technologies integrating this technology, and vendors like Microsoft getting behind this, it means [independent software vendors] can build the solution sets necessary to make this a reality."

[Go back](#)

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