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President's Message

Welcome to 2009!

I think it's safe to say that when 2008 began, few of us would have—or could have—predicted the course the year would take. So it's with just a bit of trepidation we bring you *Transaction Trends'* annual forecast issue.

Predicting what 2009 will bring is a daunting task, but not impossible, as writer Dick Gamble demonstrates in our cover story on page 8. As he points out, a challenging environment almost always creates opportunities for those who are prepared and are willing to step up to the challenges that inevitably arise. I suspect many of our readers fall into that category. The merchant acquiring business always has been a very entrepreneurial industry, full of innovators and risk-takers. Those qualities will serve them, and our industry, well in the coming months.



The current recession may well turn out to be an opportunity for those companies that have worked tirelessly to convince ISOs and merchant level sales pros to diversify product lines and offer their merchants value added products that go beyond traditional credit card processing. Writer Julie Ritzer Ross, in a story on page 12, notes a few in the ISO/MSP end of our business are teaming up with companies that market integrated POS equipment, a segment where all-out competition has often been the norm. A related article on remote capture (ISO Corner, page 6) may represent another, similar, opportunity for giving merchants added value.

Tough as predictions may be, one thing seems certain: Congress and the new administration are going to be looking very closely at the financial services industry even as Washington works out a way to stimulate a troubled economy. Some of that activity can be anticipated. Congress will no doubt keep up the pressure on the credit card issuing business on the heels of last month's changes in disclosure rules and related practices adopted by the Federal Reserve Board. It's also a good bet that lawmakers will pick up where they left off on legislation to regulate interchange, especially as financially strapped merchants search for ways to control costs. Attorney Marc D'Annunzio gives us his take on what else to expect in our legislative and regulatory forecast on page 21.

From all this, it looks like this will be an interesting year, in every sense. As an industry, we're facing a difficult environment and not much certainty. The natural reaction might be to pull back and try to weather the storm, but this probably isn't the time to abandon what has worked so well throughout the history of merchant acquiring. Our industry was built by entrepreneurs who created partnerships, networks, and other relationships and used skill and creativity to fashion innovative solutions for merchants big and small.

ETA has been at the forefront of that innovation, by creating opportunities and venues where our members can do what they do best. Whether it is the Annual Meeting & Expo, the Strategic Leadership & Networking Forum, or publications like *Transaction Trends*. And that brings me to a final prediction for 2009: ETA will be here to support our members and our industry, doing what we do best, and bringing even more value in the future.

Sincerely,

Nick Baxter

Nick Baxter serves as president

of ETA and is senior vice president of

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Tell us what you think
about *Transaction Trends* and
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