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The Electronic Transactions Association, founded in 1990, is a not-for-profit organization representing entities who provide transaction services between merchants and settlement banks and others involved in the electronic transactions industry. Our purpose is to provide leadership in the industry through education, advocacy, and the exchange of information.

The magazine acts as a moderator without approving, disapproving, or guaranteeing the validity or accuracy of any data, claim, or opinion appearing under a byline or obtained or quoted from an acknowledged source. The opinions expressed do not necessarily reflect the official view of the Electronic Transactions Association. Also, appearance of advertisements and new product or service information does not constitute an endorsement of products or services featured by the Association. This publication is designed to provide accurate and authoritative information in regard to the subject matter covered. It is provided and disseminated with the understanding that the publisher is not engaged in rendering legal or other professional services. If legal advice and other expert assistance are required, the services of a competent professional should be sought.

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President's Message

Moving Forward

By now, all of us who had the opportunity to participate in ETA's Annual Meeting & Expo are back to work and busy digesting what was, I hope, a productive and rewarding experience. The Annual Meeting remains ETA's most important activity, and the association works hard to keep it a vital and valuable part of the payments industry.

Along those lines, this issue of *Transaction Trends* includes our wrap up of the Annual Meeting. As you might expect, the 2009 event reflected the current state of the economy and the industry in many different ways. While attendance was off a little and attendees and exhibitors were perhaps more serious as they went



about their business, the sentiment in sessions and meeting and on the exhibit floor was positive. More than a few exhibitors remarked that those who visited them came with a purpose and were ready to do business. And that, after all, is why the meeting exists.

Along with the business, of course, ETA had the opportunity to thank the many volunteers who make the association successful and honored a few of them with service awards.

The full story on that can be found on page 20.

Given the turmoil in credit markets and the broader economy, you couldn't be blamed for thinking that mergers and acquisitions in the payments industry would be almost non-existent. Yet contributor Richard Gamble finds that while the number of M&A deals dropped dramatically since last fall, a few transactions have made it through the much tougher vetting process. To find out what makes the difference, read our cover story, beginning on page 10.

We always try to make each issue of *Transaction Trends* useful in a practical way for our readers, but this month, writer Julie Ritzer Ross looks at one of the most critical decisions an ISO must make—the choice of a processor. As the ISOs who talked to Ross made clear, working with the right processor can make all the difference when it comes to selling your services and retaining merchant customers. Get the full story on page 16.

This month's look at legal issues on page 23 focuses on some provisions in the American Recovery and Reinvestment Act (better known as the stimulus package) that could have some consequences for those enmeshed in the world of health-care payments. One potential concern, for example, is whether ISOs may find themselves subject to the HIPAA privacy rules that now cover health-care entities.

And this month's Risk in Review column focuses on the role of card authentication in transaction processing, as opposed to cardholder authentication. Because cardholder authentication isn't always practical or foolproof, methods for determining that a card itself is authentic, and hasn't been tampered with, could be a big step forward in protecting consumers and the industry from fraud. The complete story is on page 24.

Finally, this issue is the last one of my tenure as ETA's president. I want to take this opportunity to thank my fellow board members, ETA's capable staff and the many volunteers who made this challenging year a successful one for our association. Next month, ETA's new president, Holli Targan, will assume this role as well as the reins of ETA. I especially want to wish her my very best and a successful tenure in her new role.

Nick Baxter

Nick Baxter serves as president

of ETA and is senior vice president of

First National Bank, Omaha, NE.

Tell us what you think
about *Transaction Trends* and
share your story ideas. E-mail:
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