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First Data Related Events

- October 4-7
NACS Show 2008
[read more](#)
- October 19-22
Association for Financial Professionals (AFP) Annual Conference
[read more](#)
- October 20-22
BAI Combating Payments Fraud Conference
[read more](#)



Michael D. Capellas
Chief Executive Officer

Hello and welcome to the inaugural issue of First Data *VantagePoint*™ eNewsletter. In this first issue, you'll see Mobile Commerce Solutions President Barry McCarthy's [overview of the mobile commerce landscape](#). He addresses the key components of mobile commerce, including payments, marketing and banking. It's the first of a five-part series aimed at helping you determine how to best leverage the rapidly evolving trends in mobile commerce. In addition, we've included information about our GO-Tag™ solution rollout at the [Democratic National Convention](#) and other topics related to First Data initiatives.

In the months ahead, we will provide you with more leading-edge information to help grow your business and stay on top of trends. And we look forward to your feedback to make this tool as valuable as possible. Our goal is to provide ideas about how First Data can help you manage your business more effectively so you can focus on what matters most to you – growing your bottom line.

Mobile Commerce: The Future Is Here

Mobile commerce could represent the biggest behavior change ever experienced in commerce when payments, real-time banking and targeted consumer marketing all become available via cell phones, Blackberry®, iPod® and other wireless, hand-held devices. With billions of these types of devices in use worldwide, it is plain to see why First Data – and [Cards & Payments](#) – are excited about the possibilities.

In the first of a series of new white papers, First Data's Mobile Commerce Solutions President, Barry McCarthy, provides an overview of the mobile commerce landscape covering the current market, the challenges and innovations on the horizon, and the stakes and players involved. The paper, [The Risks and Opportunities in a Mobile Commerce Economy](#), also discusses the key components of the mobile commerce ecosystem and describes the evolution of mobile commerce from a contactless sticker to a chip inside the handset.

As a first foray into mobile commerce, First Data introduced its innovative new payment technology – the [GO-Tag solution](#) – to thousands of media and delegates attending the Democratic National Convention in Denver. Attendees received a limited-edition pin to be used as a payment device to purchase refreshments at Pepsi Center concession areas. The GO-Tag sticker on the back of the commemorative pin utilized contactless payment technology to make the purchasing experience quick and convenient. The launch generated [widespread media interest and excitement among the participants](#).

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Give us feedback. We'd love to hear your thoughts.



Electronic Pay Solutions for All Employees

Corporate payroll departments struggle with many challenges, including paycheck fraud, regulatory compliance and meeting the needs of unbanked employees. Voluntary direct deposit and paycard programs have helped to partially resolve many payroll challenges, but they don't go far enough. Corporations need a solution that addresses the issues of unbanked employees, helps with compliance issues and enables companies to attain 100 percent electronic pay. Mark Smith and Todd Lasher's white paper *Achieving Electronic Pay for All Employees* discusses a hybrid payroll distribution solution that offers full electronic pay capabilities and eliminates the need for company-printed checks.

New IRS Guidelines Bring Changes to Reporting Gross Electronic Transactions

A recently signed law includes a provision that will require merchant acquiring banks and settlement organizations to annually report to the IRS the gross amount of electronic payment transactions of participating payees. The Housing and Economic Recovery Act, signed into law on July 30, 2008, by President Bush, states that if tax ID numbers are not accurate with the business name, you could be subject to backup withholding of electronic transactions. The reporting requirements extend to all payment card transactions such as debit, credit and stored-value cards, and all merchants in the U.S. that exceed \$20,000 in annual transactions and become effective 2011.

While you can expect more information coming from First Data as the IRS publishes detailed guidelines, it's important to start now to ensure the accuracy of your tax ID number to avoid mismatches and to review 1099s. [See p. 681 of the bill for more details.](#)

Integrated Customer Analytics Increases Competitive Advantage

First Data provides financial institutions and retailers that offer card products the ability to make faster, data-driven decisions. Through an integrated [customer analytics and decision management platform](#) combining analysis, prediction, strategy and reporting capabilities, we help ensure faster time to profit, greater customer loyalty and reduced costs to serve. Our unique, integrated customer analytics solutions were one of many factors in the recent decision by Nordstrom fsb to sign a [seven-year processing agreement](#) with First Data.