



AMERICAN TRANSACTION
PROCESSORS COALITION

2016 ANNUAL REPORT

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CHAIRMAN'S LETTER



It's hard to believe that one year has passed since I took the gavel, becoming the ATPC's second board chairman. Serving as a board member since ATPC's public "town hall" launch at our offices in April 2014 has allowed me a front row seat as the influence of Georgia's payments industry has grown exponentially. Atlanta is now recognized as a hub for the top payments companies in the world, both within the industry and by elected officials, media, and other key stakeholders. Additionally, "Transaction Alley" – the moniker we created describing the collection of the more than 70 companies with headquarters or major operations in this region – experiences widespread use among those groups just mentioned.

Upon reflection after my first year as chairman of the board, I would like to do three things: thank; encourage; and challenge. First, past chairman Tony Catalfano deserves a great deal of thanks. His leadership and guidance got this organization off the ground and growing in the right direction. Additionally, the ATPC would not be where it is today without our executive director, H. West Richards. West runs day-to-day operations of the organization and manages to plan an annual schedule full of four quarterly board meetings, a Capitol Hill fly-in and numerous trips that allow ATPC members and delegates to gain exposure in key markets. This too would not be possible without the support of our consultant teams – Whitmer & Worrall leading the federal government relations, the J.L. Morgan Company handling state government relations, and VALEO as the public affairs firm. And finally, the dedicated men and women that make up our board of directors – they are not only payments processing experts, but also industry champions.

I am increasingly encouraged by the influence this organization carries, which creates momentum as we grow. Members of the Georgia Congressional delegation told us that they had no idea the payments industry was this vast, let alone located in Georgia during one of our first trips to Washington, D.C. They had little interaction with payments processing company leadership, and therefore knew little about the issues keeping us up at night. Today, the ATPC is a credible resource on Capitol Hill for the Georgia delegation, members of the Senate and House Payments Caucuses, and officials representing issues and districts across America because of our hard and continued work. I am encouraged by the growth of our influence, and encourage you to keep it up!

Finally, I challenge my peer payments companies to get involved – particularly those that want to ensure Georgia is viewed as a global FinTech hub. Changes in Washington, D.C. portend possibilities for our industry, starting with a deep review of the Consumer Financial Protection Bureau (CFPB), which has pushed rules potentially bringing unintended negative consequences. The ATPC board of directors dedicates time each year to visiting with members of Congress and their office staff. This education supports industry efforts in Atlanta and throughout the country to ensure we are competitive, innovative and thriving. Add your voice to our efforts today – we are stronger together.

It is a great honor to lead the ATPC as its chairman. Here's to celebrating another successful year, and looking ahead to even bigger and better things in 2017.

Best regards,

Scott Meyerhoff
Chairman, ATPC
COO and CFO, InComm

EXECUTIVE DIRECTOR'S LETTER



From the desk of H. West Richards,

Another year in the books. We turn the page to a busy 2017 that will include significant domestic and international milestones for the American Transaction Processors Coalition (ATPC), our members, and the payments processing industry. The ATPC is no longer a startup. We've become a fully formed organization driving policy in Washington, D.C. at the Georgia capitol, and in partnership with local governments. Our members and the industry also benefit from our efforts to help them meet workforce, resource and innovation needs.

The ATPC celebrated its two-year anniversary in 2016 and it provided an opportunity to reflect on the whirlwind of our founding, and the accomplishments to-date. A moment of reflection illuminated four distinct platforms we've created for the payments and broader FinTech sectors to interact with peers, policymakers, and academic and other business influencers – in addition to our daily mission-driven

work. We stepped outside traditional trade association expectations to create: PeachPay; FinTech Atlanta; P20; and the Cybersecurity Forum.

PeachPay was the first of these platforms, kicking off on December 8, 2014, when the Federal Reserve Bank of Atlanta hosted ATPC members to discuss the overlap between missions. The Federal Reserve shared a detailed overview of their future priorities, including aspirations of creating a Payments Advisory Council. This seed of an idea became PeachPay, which provides a platform to share information and best practices, educate, pursue projects related to current payments issues, and to network. The group meets at least twice per year and is comprised of Atlanta-based payments-related companies. The agenda covers a range of issues, including: faster payments; virtual currencies and open networks; effects of regulation on prepaid cards; and the move from mag stripe to chip, and addressing the impact to CNP fraud. PeachPay has held four meetings, and plans multiple gatherings in 2017.

FinTech Atlanta was founded in 2015 by the Metro Atlanta Chamber (MAC), the Technology Association of Georgia (TAG) and ATPC to develop Atlanta as the recognized global capital of the FinTech industry. The group has three main goals: recruit FinTech industry companies, capital and talent; retain existing companies and workforce; and expand Atlanta's presence in the industry via organic growth and by extending the FinTech ecosystem. The goals will be accomplished by developing a skilled workforce, fostering innovation, promoting the story, and working with legislators to make Atlanta and Georgia the best place to conduct business. FinTech Atlanta is modeled after MAC's successful Mobility Task Force launched in 2012.

The ATPC worked with Congress and agencies like the U.S. Department of Homeland Security (DHS) the past two years to cement relationships and build an understanding about the connection between policy and our payments infrastructure. These conversations highlighted that Transaction Alley provides critical infrastructure for the U.S. Financial Grid, which requires response and recovery plans to ensure the integrity of our financial system in the age of growing cybersecurity threats. The concept for a Transaction Alley Cybersecurity Forum was created to provide a platform for industry and government cyber experts to build community, educate public/private stakeholders about the payments industry infrastructure, and prepare for possible negative events with the goal of inspiring DHS to hold an annual forum. The ATPC will bring key industry, and Georgia and federal officials together early in 2017 to discuss these issues and push for the creation of an ongoing Transaction Alley Cybersecurity Forum.

Lastly, and most-recently, the ATPC created Payments 20, or P20, as a direct response to the ever-increasing need for greater regulatory clarity, consumer security, and innovation collaboration as it applies to the payments industry and related aspects of FinTech. P20 will bring together the top payments executives from around the globe and serve as a forum for thought leadership and action, along with best practices across many areas including regulatory and compliance frameworks, and pressing issues like cybersecurity, innovation and how FinTech can achieve greater financial inclusion for people in developing economies around the world. The P20 Annual Meeting will rotate between London and Atlanta. The inaugural session will take place October 9th and 10th in London.

The inaugural meeting will be led by P20 “leadership delegates” who will drive programming, presentations and outcomes. The event will also welcome participation from approximately 120 invited senior leaders representing relevant government agencies and offices, industry advocacy groups, academia, FinTech innovators, and payment industry executives from across the globe.

Proposed goals for the inaugural conference will include some of the following:

- Recognize the unique and important position the payments industry holds in global commerce, and the associated responsibilities of industry and government
- Identify industry and policy challenges requiring attention during the next 10 years, and develop an agenda of short- and long-term goals
- Create a vision and framework for working together to promote financial inclusion through streamlining regulatory frameworks, improved security and innovation
- The P20 mission charter is being crafted to address the improvement of regulation, innovation, cybersecurity, education and financial inclusion on a global scale.

Looking ahead to how these new platforms will shape the industry (and ATPC) is exciting. But we also should reflect upon other major 2016 ATPC and industry related milestones.

Passing Georgia Senate Resolution 833 was probably the biggest ATPC and industry win at the state level to-date. The legislation passed during the 2016 Georgia General Assembly created the Joint Study Committee on Incentives for Financial Technologies and Payment Processing Industry (JSC). The JSC was formed to ensure Georgia maintains its industry leadership with the help of the state’s resources, as it faces competition from other domestic and global cities investing in talent and technology; and seeking to recruit Transaction Alley companies away. The study committee held three sessions in 2016 and produced several recommendations that will be considered during the 2017 and 2018 sessions.

But more than anything, the JSC provided ample opportunity to educate leading state legislators about: Georgia’s FinTech and payments processing ecosystem; existing industry economic and workforce development initiatives; and the need to foster innovation culture, resources and investment. Senator Brandon Beach (R-Alpharetta) and Rep. Ron Stephens (R-Savannah) co-chaired the JSC, and were joined by appointed members Rep. Greg Morris (R-Vidalia), Rep. Bruce Williamson (R-Monroe), Sen. Burt Jones (R-Jackson), Sen. John Albers (R-Roswell), and Commissioner Chris Carr and Dawiet Zamadie from the Georgia Department of Economic Development. We thank each of the members for their time, attention and commitment to work with us in the future.

We also added new members and sponsors, including: First Data at the Tier One level; and Cardlytics, CenPOS, Equifax, Ingo Money and NOWAccount at the Tier Two level. Kabbage joined as the latest sponsor. Thanks to each of these companies, and their leadership teams, for ongoing support. Your gifts of time, treasure and talent is making us the premiere payments and FinTech association in America.

We are incredibly enthusiastic about 2017. We will hold the inaugural P20 in London, the first Transaction Alley Cybersecurity Town Hall, launch a new Cybersecurity Working Group, and continue to advocate on Capitol Hill, under Georgia’s Gold Dome, and in the court of public opinion. Thanks again for a top notch 2016, and we welcome your support and involvement to make 2017 our best year yet!



H. West Richards
Executive Director, American Transaction Processors Coalition

2016 YEAR IN PHOTOS





ATPC OVERVIEW

The ATPC member companies process traditional and digital payments that enable global commerce. As technology continues to advance, consumers demand speed, security, and ubiquity across payments platforms but the Dodd Frank Act and other oversight from 19 federal agencies have the ability to slow and prevent the ability to innovate.

Banks and brands have the most power on Capitol Hill in the financial services sector, and are often at odds with the needs of payments processors. During initial meetings, members of U.S. Congress stated that they rarely heard from payments industry leaders and therefore had limited understanding of the ecosystem and its importance to the U.S. economy. And they encouraged the payments industry to get organized to more regularly provide their perspective on critical issues like cybersecurity and regulations related to innovation or consumer protections.

Georgia's "Transaction Alley" is home to more than 90 companies in metro Atlanta that form the hub of American payment processing. Yet these payments companies also have IT infrastructure, offices, and production or distribution facilities in every state in America and around the globe. The ATPC sought first to educate and unite Georgia elected officials around the industry in 2014, but quickly reached out to representatives of other states in Congress who had payments company resources in their districts.

This federal advocacy illuminated state and local economic development opportunities, and member talent, innovation, and funding needs. That's why the ATPC convenes, advocates, and promotes the industry in D.C., under Georgia's Gold Dome, and locally in Atlanta. The ATPC pivoted from a strictly government affairs organization to also build relationships that raise awareness and support for economic development and industry resource needs (talent, investment and innovation).

Mission

The ATPC was created to protect, promote and preserve the interests of Georgia's transaction processing industry through proactive public relations and government affairs activities

Vision

- PROTECT industry from over-regulation
- PROMOTE industry impact to drive action
- PRESERVE current ability to do business

What We Do

Federal Approach

- Proactive PR to build cover and pressure for elected official action
- Educate Congressional, Administration and Regulatory staff about industry needs
- Direct lobbying with ATPC board and consultants

Georgia Approach

- Proactive PR to educate elected officials and the public about the industry
- Connect industry leaders and elected officials to personally demonstrate impact & potential
- Promote legislative activity that keeps Georgia competitive in Transaction Processing

INDUSTRY OVERVIEW

Global Economic Impact

The global payment processing (merchant acquiring) industry generated more than \$1.1 trillion in revenues in 2015. Mobile payments alone reached an estimated \$972 billion in 2016, and is expected to reach \$3 trillion by 2021, yet that segment still only equates to approximately 11 percent of all consumer card payment volume. Future growth will be driven by U.S. and European product innovation and consumer demand in countries with low credit card penetration.

Atlanta and parts of Georgia are currently the epicenter of a growing financial services industry often referred to as Financial Technologies or FinTech. This sector is made up of companies that develop the products and provide services supporting the financial service industry's technology needs. These FinTech companies and their products and services form the core of the global economic payment- processing infrastructure.

The Payment Processing Industry is dynamic and growing, supporting the more than 103 billion credit and debit card transactions, totaling more than \$5.7 trillion, that occurred in the U.S. in 2015 alone. This growth is explained largely by the dramatic and continued migration from paper to electronic payment, increasing profits, driving efficiency, mitigating risk, focusing market intelligence and increasing access to markets everywhere that is connected to the Internet.

FinTech and the World: America's Opportunity

The world continues to migrate towards electronic payment processing for purchases as diverse as energy bills in Sub-Saharan Africa to soda from a vending machine in Brazil. Building the security and technical tools and systems to meet this growing demand is a huge opportunity and American companies are poised to play the leading role within the right regulatory and economic environment. Traditional merchant acquirers and payment card networks, led by ATPC members (and other sources like Square, Groupon, LevelUp, etc.), will play important global roles in influencing and enabling this electronic payment transition to occur.

Regulatory Environment

The 2008 "crash" led to significant financial reform – namely the Dodd Frank law – which brought scrutiny and ongoing oversight from 19 federal agencies and departments. Privacy, cyber security, fee structures are top issues facing the industry, which has few advocates on Capitol Hill. The challenging regulatory environment is compounded by a lack of accurate information and visibility on the federal regulatory and legislative landscape.

Raymond James believes that many of these regulatory actions will require a "nationwide, top-to- bottom upgrade cycle of U.S. point-of-sale (PoS) equipment in the next four to five years," when retailers begin complying with new regulations introduced for the industry. Stricter security requirements for the payment card industry and adoption of the Euro MasterCard Visa payment standard (EMV) acceptance (chip-and-PIN) internationally will require between eight to 10 million PoS upgrades – if not complete replacement.

FinTech in Georgia

More than 70 percent of U.S. transactions go through Georgia, which was made possible in the past by the state's progressive stance and positive business climate, attracting the largest processors. The industry matured and its needs are changing because of global financial services growth and competitor saturation. FinTech companies must continue to find new ways to expand their business and grow.

These companies need to improve infrastructure; develop new technologies for mining, manipulation and managing data; ensure a strong pipeline of skilled workers; and reinvent the industry's complete value chain. Those companies able to meet these changing needs will ultimately retain global industry dominance.

Georgia's national leadership in business and higher learning indicators provides a rich universe to ensure future Financial Services growth with the right support from Washington and our state capitol. Consider this:

- Georgia ranks first in the U.S for entrepreneurship (Kauffman Index of Entrepreneurial Activity) and has had the largest increase of any state in the last decade, providing a healthy marketplace for financial services
- The Atlanta region ranked fifth in total research and development expenditures in 2011 (\$1.49 billion) – a 46 percent increase compared to five years ago
- Atlanta ranked seventh in higher education student enrollment among America's largest urban areas with more than 275,000 students enrolled each year, and among the top seven for degrees awarded in fields including engineering, computer sciences, math, and business

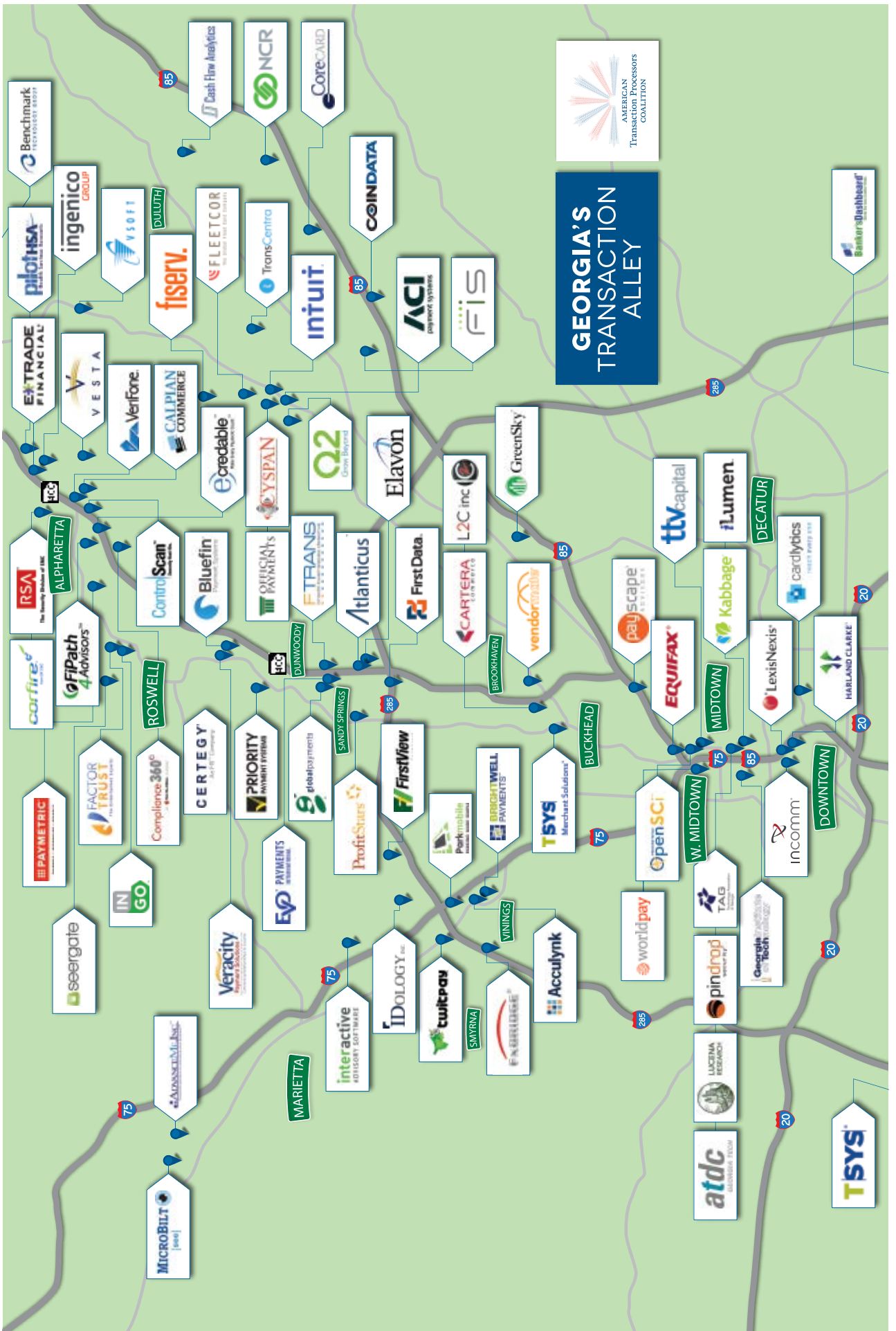
Industry Comparison

Payment processing currently equals the entire U.S. movie industry (worldwide annual sales) and is dominated by Atlanta, just as Los Angeles dominates films.

- 85-plus billion, or more than 70 percent of all U.S. credit card swipes, debit payments, and gift card purchases, or \$3.5 trillion in transactions, passed through Transaction Alley in 2015
- More than 15 million global card-enabled merchants rely upon Georgia companies
- The industry employs more than 30,000 people in Georgia and 105,000 people globally

Compared to other industries in the state:

- Transaction Processors: annual revenue exceeds \$30 billion
- Film industry: \$3.1 billion, a 29 percent increase
- Life Sciences Industry: \$17 billion with more than 65,000 employees



LEADERSHIP

Board of Directors

Scott Meyerhoff, ATPC Board of Directors Chairman COO & CFO, InComm



With over 22 years of corporate experience, Scott is currently the Chief Operating Officer and Chief Financial Officer at InComm, an Atlanta-based prepaid and payments technology company that innovates new commerce solutions to reward consumer loyalty, drive foot traffic at retail and provide unique gift-giving opportunities. He has completed multiple public debt and equity offerings, raising in excess of \$1 Billion, and he has played a key role in over 100 mergers and acquisitions.

Prior to joining InComm, Scott spent time consulting in executive capacities at companies such as Arthur Andersen, Intercept, Infor Global Solutions and Intersect. Prior to InComm, Scott most recently was the Founder and Partner in The Intersect Group, a provider of tailored finance, accounting and technology solutions. Under Scott's direction, Intersect was named to the prestigious Inc. 500 List in 2010.

Scott resides in Atlanta, Georgia, with his wife and three children.

Bruce Lowthers, ATPC Board of Directors Vice Chairman EVP, FIS and President of Global Retail Payments Division



Bruce Lowthers is executive vice president for FIS, which is ranked as the world's No. 1 Fintech provider. He is currently the President of the Global Retail Payments division, which delivers approximately \$3 billion in revenue derived from payment processing and ancillary services. Bruce's business unit, which is supported by more than 5,000 employees, serves three markets: financial services, emerging commerce and retail services.

Previously, Bruce served FIS in a number of executive positions, including division executive of card services, head of product sales and global sales operations, and general manager of the global payments software business.

Prior to joining FIS, Bruce held the position of senior vice president of community markets for eFunds, where he was responsible for the P&L for all payment and risk products for that market. He also held executive officer positions at four startup companies.

Currently Bruce is on the board of directors of the Armed Forces Financial Network, Electronic Funds Transfer Association, American Transaction Processors Coalition and MedicAlert Foundation

Bruce holds a bachelor's degree in business administration from the University of Massachusetts and began his career as a certified public accountant.

Board of Directors

Doug Sandberg, ATPC Board of Directors Member SVP, General Counsel, and Secretary, Worldpay US

Doug joined Worldpay US, Inc. (formerly “Lynk Systems, Inc.”) in May of 2000 prior to its acquisition by The Royal Bank of Scotland Group (“RBS”) as the company’s first General Counsel. Worldpay US is the US division of the Worldpay Group headquartered in London, UK. Worldpay is the third largest payment processing company in the world. Over the years, in addition to Doug’s responsibilities as General Counsel to WorldPay, he has supported RBS’ US financial services joint venture with The Kroger Co. as well as its U.S. ATM and Credit Card Divisions. Doug stayed with the business after its sale by RBS to private equity giants Bain Capital and Advent International in 2010 and post IPO on the London Stock Exchange in 2015.

Doug is a member of Worldpay US’s Board of Directors; Executive Leadership Team; Risk Management Committee; Product Development Committee; and Service Delivery Committee. Doug also serves as Worldpay’s corporate Secretary.

Doug is also a Board Member of the American Transaction Processor’s Coalition (ATPC).

Prior to joining the Company in 2000, Doug spent 12 years in private practice in Atlanta, Georgia where he specialized in the areas of corporate law as well as commercial and civil litigation.

Doug is originally from the New York City area. He received his Juris Doctorate degree from Emory University School of Law in Atlanta in 1987 and his Bachelor of Arts degree from Ithaca College in Ithaca, N.Y in 1984. He is a member of the American Bar Association; Association of Corporate Counsel; the State Bar of Georgia; and the Atlanta Bar Association (Corporate Law Section).



Tom Bell, ATPC Board of Directors Member CEO, Merchant e-Solutions (a Cielo company)

Tom joined Merchant e-Solutions from Capellas Partners, a strategic advisory firm working with technology-driven companies, where he served as a managing partner.

Prior to joining Capellas Partners, Tom served as CEO of Bank of America Merchant Services (a joint venture between First Data and Bank of America). In this role he led the formation of the joint venture creating the 2nd largest merchant acquirer in the US. Prior to this role, he served as Executive Vice President of strategy and business development for First Data and member of the Executive Committee.

Tom joined First Data from Accenture, where he served as a managing partner in the communications and high tech practice and spearheaded the company’s media and entertainment practice in North America. Throughout his career at Accenture he managed many of Accenture’s largest relationships including BellSouth, Compaq Computer, Samsung Electronics, Nokia, NFL, and Harrah’s Casinos.

Tom possesses extensive industry and professional experience, including mergers and acquisitions, business transformation/supply chain reengineering, electronic commerce, sales force effectiveness, relationship marketing, enterprise applications development, off-shoring and business process management.

Tom is also a board member of the American Transaction Processors Coalition and the High Museum of Art in Atlanta. He received a bachelor’s degree in finance from Auburn University.



Board of Directors



**Oscar Bello, ATPC Board of Directors Member
President, Ingenico Group North America**

Oscar Bello serves as President of Ingenico Group, North America. Mr. Bello has over 20 years of experience in the payment sector in Latin America, most recently serving as Ingenico Group's EVP for that region. He previously held different trade and marketing positions with the sector's leading international players, most notably Innovative Electronics, VeriFone, and Lipman. Mr. Bello joined VeriFone in 1995 to lead business development, before managing sales for the Latin American and Caribbean region. In 2001, he was named Director for Latin America at Lipman. In 2007, he joined Sagem-Monetel as Director for Latin America, just before the company was acquired by Ingenico Group.

Mr. Bello holds a degree in electrical engineering from the University of Florida.

**Barry McCarthy, ATPC Board of Directors Member
EVP, Network and Security Solutions, First Data**

Barry McCarthy serves as Executive Vice President, Network and Security Solutions. The Network and Security Solutions group provides a range of technology solutions to business and financial institution clients around the world. In this role, he oversees Network Solutions including EFT network services, such as STAR, debit, ATM processing, and Prepaid network services, such as Valuelink, MoneyNetwork and Gyft. He also leads Security Solutions, which includes TransArmor, TeleCheck and First Data's suite of fraud prevention solutions, and he manages the government solutions business.

Previously, Barry was responsible for the turn-around of the company's Financial Services segment. In less than 18 months, he restored robust revenue growth, increased profit more than 20% and margin by 1100 basis points. Additionally, he played a leadership role in the company's historic collaboration with Apple™ on Apple Pay™. Barry held other executive positions during his 10 year tenure at the firm, including leading the merchant business in Asia, as well as global product and relationship roles of increasing responsibility.



Prior to joining First Data, he led the turn-around of the VeriSign (NASDAQ: VRSN) payments business now owned by eBay/PayPal (NASDAQ: EBAY). He co-founded and later sold MagnaCash, a Silicon Valley-based micropayments company, whose technology, through subsequent transactions is currently owned by Digital River (NASDAQ: DRIV). Barry first entered the payments technology industry at Wells Fargo (NYSE: WFC), where he was ultimately responsible for the 14 million card and 6,500 ATM business. Barry started his career at Procter & Gamble (NYSE: PG), where he spent 12 years in brand, customer marketing and sales management roles, where he launched dozens of successful new products on Oil of Olay™, Secret™, Sure™, Old Spice™.

He served as non-executive Chairman of eSurg.com, a venture-backed, online medical supply start-up that was acquired by Henry Schein (NASDAQ: HSIC). He also served on the boards of Merchant Link™ Corporation, and bank merchant processing joint ventures with PNC, Standard Charter Bank (Singapore), and ICICI (Mumbai). In the community, he currently serves as a director on the boards of the Technology Association of Georgia (2015 Chairman-elect), Junior Achievement of Georgia, and Catholic Charities of Atlanta. Additionally, he is the current chair of the FinTech Atlanta Task Force, which was founded in 2015 to establish Atlanta as the recognized global center for financial technology. FinTech Atlanta members work to recruit, retain and expand businesses and jobs across metro Atlanta and the state of Georgia.

Barry earned his master's in business administration from the Kellogg School of Management at Northwestern University, and was an undergrad at the University of Illinois, Urbana-Champaign. He has twice served as Chairman of the state-wide, Georgia Technology Summit, and was honored as Person-of-the-Year in 2010 by the National Association of Telecom Professionals™ for his pioneering work in mobile commerce.

Board of Directors

Ed O'Hare, ATPC Board of Directors Member SVP of Corporate Development, Elavon

Ed O'Hare oversees Elavon's Corporate Development activities. He has over 15 years of experience in Mergers & Acquisitions, Alliance and Partnership development and general business development with financial institutions and other financial service companies.

Prior to Elavon he had positions with MasterCard International, Smith Barney and National Data Company in roles relating to sales and servicing of financial institutions.

He graduated from Villanova University with a bachelors of science in business administration and received an MBA from the Goizueta Business School at Emory University.

Tony Catalfano, Board Chairman Emeritus

Tony served as CEO of Worldpay, US from March of 2012 to January 2016.

He previously joined Fiserv in 2002 through the company's acquisition of Electronic Data Systems Corp's (EDS) Consumer Network Services (CNS) business. During his time at Fiserv Tony served as Division President Electronic Payments business, and Division President of Fiserv's Bank Solutions Division.

While Tony has gained significant payments industry experience throughout his career, he has also developed key strengths in IT, leadership, change management and business transformation. Tony has nearly 25 years of experience in the payments industry. He was elected as the founding Chairman of the ATPC in December of 2013. He also serves as a Trustee of the Atlanta Ballet.

Pamela Joseph, Ex-Officio Board Member President and COO, TSYS

Pam Joseph joined TSYS as president and chief operating officer in May of 2016. Prior to joining TSYS, she served as vice chairman of U.S. Bancorp's payment services division and chairman of Elavon from December 2004 to June 2015.

At U.S. Bancorp, Joseph had executive responsibility for all electronic payment product lines including consumer credit, debit, small business, prepaid, corporate, purchasing and fleet card programs and global acquiring. She has been recognized by Payments Source as one of the Most Influential Women in Payments and by the American Banker as one of the Most Powerful Women in Banking.

Before joining Elavon in 1994, she served with Visa International as director of new market development. Prior to Visa, Joseph worked in the banking industry for more than eight years with Wells Fargo Bank.

Joseph also became a member of the TSYS Board of Directors in March of 2016, and currently serves on the board of directors of TransUnion and Paychex. She is Chairman of Women Leaders in Action, a nonprofit organization that helps educate young women in Africa, and is a member of the Board of Trustees for Spelman College.

Joseph earned a bachelor's degree from the University of Illinois.



Staff and Volunteers

H. West Richards, ATPC Executive Director

West spent the last 25 years of his diverse career in both the public and private sector. His public sector experience includes seven years on Capitol Hill in the U.S. House of Representatives, serving in such capacities as Legislative Director, Press Secretary and Chief of Staff. Mr. Richards also had oversight responsibilities in what is now the House Committee on Transportation and Infrastructure. In 1990, Mr. Richards was the youngest Chief of Staff in the U.S. House of Representatives. He was also the youngest person to have direct oversight responsibilities for a House Subcommittee.

After leaving the U.S. House of Representatives, Mr. Richards focused his energies on helping the Georgia Institute of Technology prepare for the 1996 Atlanta Centennial Olympic Games. As Special Assistant to the President of Georgia Tech, Mr. Richards was responsible for developing the university's public relations strategy as it applied to the Centennial Olympic Games.

In 1997 Mr. Richards went to work for the Law Firm of Troutman Sanders, LLP to create the first Internet Trade Association based in Georgia (2nd in the nation). In this role as Executive Director of the Georgia e-Commerce Association (GECA), he pioneered the largest statewide public/private Internet lobby in the U.S. and helped to develop Internet e-Commerce regulation that was eventually adopted not only by the State of Georgia but also by the federal government. GECA boasted over a dozen Fortune 500 members and nearly 50 smaller corporations. It also included a dozen governmental agencies and NGO's. In 1999, Mr. Richards was recruited by PMG.net to execute his first commercial restructuring initiative. Mr. Richards successfully shifted the core business of this small Internet enterprise from web development to advanced application development. The result was a five-fold increase in sales and the creation of alliances with Ariba Software, Deloitte Consulting, iXL and Anderson Business Consulting. Today, according to the Gartner Group, PMG.net is now recognized as the most successful Enterprise Service Catalog software firms in the world.



In late 2000 Mr. Richards was recruited by Andersen Business Consulting to lead their I.T. Business Development practice in Georgia. Following this, he founded two small technology start-ups and sold one in 2007. From 2007 through 2009 Mr. Richards served as Executive Vice President of XS International, a premiere High Performance Computing enterprise.

Since leaving Washington and now returning to Washington, Mr. Richards has remained active in politics and has served as a strategic advisor in one Gubernatorial campaign and two Congressional campaigns. He maintains strong political ties across the state of Georgia and in Washington, D.C.

From 2010 to 2014 Mr. Richards lobbied in the Financial Services arena representing the largest Reverse Mortgage companies in the United States, several of which are backed by a number of prestigious Wall Street firms such as Guggenheim Partners, Knight Capital and JAM Equity Partners. Mr. Richards in his role as Executive Director of the Coalition for Independent Seniors led an entire team of federal lobbyists, aging consultants and media relations experts to represent industry concerns in the U.S. Congress. This organization enjoyed tremendous success during a time when the Reverse Mortgage Industry was facing an existential threat in Congress.

In early 2014 Mr. Richards co-founded the American Transaction Processors Coalition with the prestigious Washington, DC based law firm Hunton & Williams, LLP. The mission of the Coalition is to Protect, Preserve and Promote the interests and advancement of the Transaction Processing industry. This also includes working with both the private and public sector to create economic development opportunities for the industry which has a high concentration of enterprises in Georgia. Mr. Richards is responsible for Federal, State & Local Government Relations, Public Affairs, Community Affairs, University Relations and Economic Development. The ATPC is headquartered in Atlanta with offices in Washington, DC.

Mr. Richards is a graduate of Carnegie-Mellon University in Public Policy & Management with a concentration in Management Information Systems. He enjoys skiing and has competed in seven Triathlons mostly on behalf of the Leukemia & Lymphoma Society one of which was an IRONMAN (70.3). Mr. Richards lives with his wife and Airedale Terrier in Roswell, GA.

Staff and Volunteers

Robert Green, ATPC Secretary Senior Counsel, Holland & Knight

Robert Green is Senior Counsel at the law firm of Holland & Knight. Prior to joining Holland & Knight's Atlanta office, Robert was a Senior Attorney with the law firm of Hunton & Williams LLP.

Throughout his career, he has worked with a wide range of financial institutions and service providers, including some of the largest banks in Georgia, Florida and the Federal Deposit Insurance Corporation. He has provided legal and technology advice regarding compliance, processing, data, new product development, joint ventures, partnerships, outsourcing, information technology and global expansion to major US data aggregators, the largest payment processors in the world and other IT enabled companies.

Robert is also the publisher of Atlanta Trend, a newsletter dedicated to the senior executive leadership of metropolitan Atlanta.



Michael Wasserfuhr, ATPC Finance Director SVP and Chief Financial Officer, Vesta

Michael Wasserfuhr brings over 15 years of international C-Level financial experience to his role as Vesta's senior vice president and chief financial officer. Before joining Vesta, he held similar senior executive positions at Worldpay, Ingenico North America, Putzmeister America, and TUV Rheinland of North America.

A resident of Atlanta, Michael is actively involved in the American Transaction Processors Coalition, the industry group representing Georgia's payment processing companies, and also serves as a board member of the Technology Association of Georgia FinTech Society. Wasserfuhr holds an MBA and a PhD in Business Administration from Justus-Liebig-Universität Giessen and is a Certified Public Accountant.

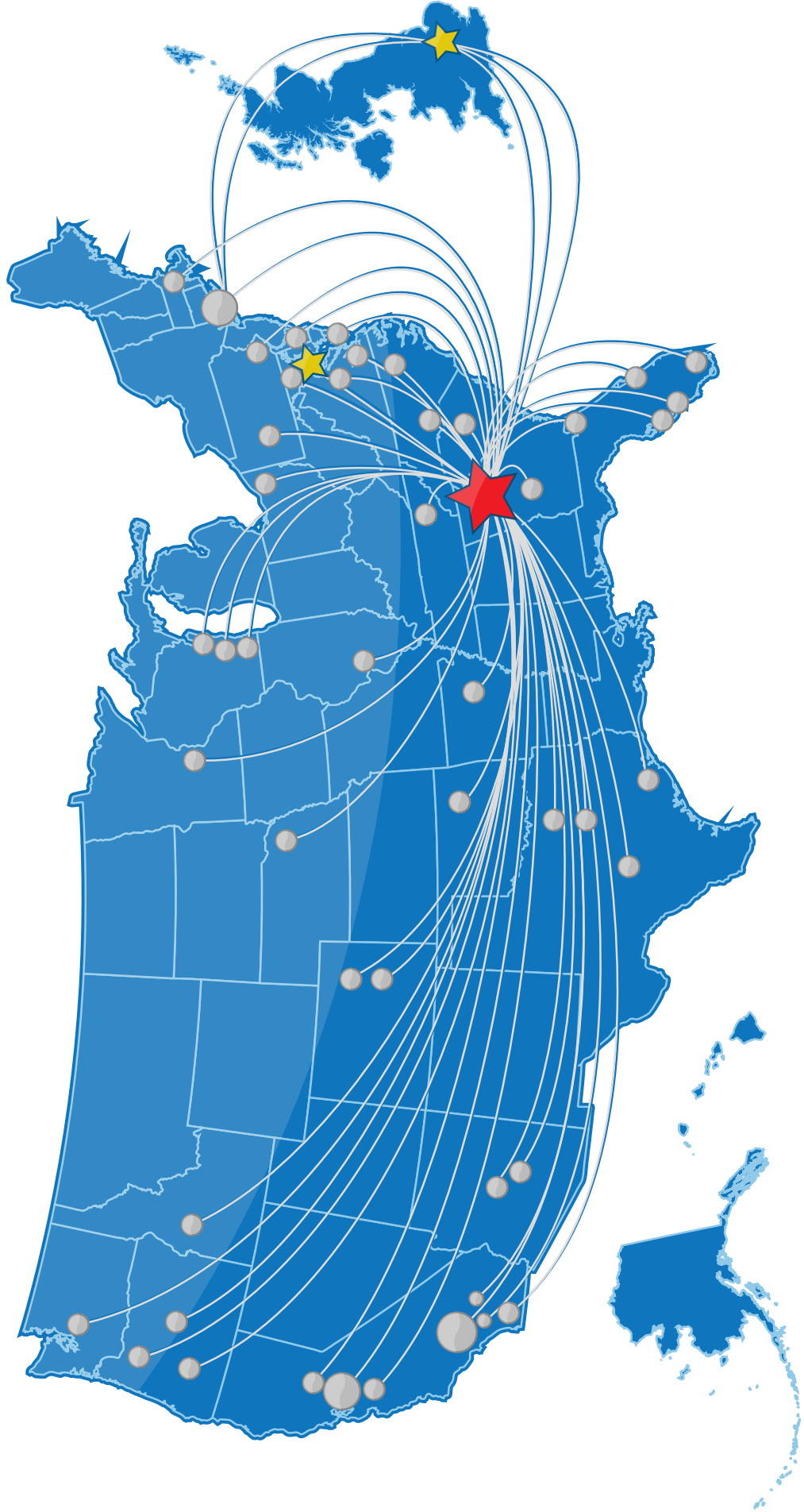


GOVERNMENT RELATIONS



ATPC Member Company Influence

ATPC member companies, many of whom are headquartered in Atlanta's Transaction Alley, also have offices, staff and a physical presence in additional locales around the globe. This map captures those locations in the United States and United Kingdom, depicting their growing influence. Atlanta is America's payments industry home, but Washington, D.C. plays an important role for the ecosystem from a policy perspective, which is why the ATPC has offices there. And the ATPC's new Trans-Atlantic partnership with the City of London will link the world's financial services capital and America's FinTech hub.



***Federal Government Affairs
Executive Summary***

Government relations is a core component of the ATPC mission, and daily work. Federal government relations in particular, was the impetus for the initial members to come together. Payments companies in Georgia realized there was a need and opportunity to unite and lend their voice to critical federal government discussions coming out Dodd Frank financial reform legislation creation and passage.

2016 activities saw a quickening and deepening of federal government affairs work, led by the D.C.-based team at Whitmer & Worrall. The organization continued to execute Capitol Hill Fly-Ins, regular Congressional member and staff briefings, and engagement on a range of activities, including: cybersecurity; Consumer Financial Protection Bureau regulations; and innovation investments.

Specific activities, and accomplishments for 2016 included:

American Transaction Processors Coalition Recognizes Rep. Tom Price's Leadership *First "Legislative Champion" Award Given for Efforts to Advance the Payments Industry*

WASHINGTON, D.C. (April 28, 2016) – Leadership from the American Transaction Processors Coalition (ATPC) presented Rep. Tom Price (R-GA) with its inaugural "Legislative Champion" award this morning in the Budget Committee Room inside the Cannon House Office Building. The award serves as recognition for the Congressman whom has supported the ATPC since its launch in 2014, and the payments processing and FinTech industries throughout his service on Capitol Hill.

"It is an honor to be named ATPC's inaugural Legislative Champion," said Congressman Price. "Their mission to protect key jobs and ensure competitiveness for companies in Georgia's Transaction Alley is vital for success. We must continue to work together to remove barriers to innovation and to preserve an entrepreneurial, pro-growth environment for companies that contribute leaps and bounds to both our nation's and Georgia's economies."

ATPC Executive Director H. West Richards and ATPC Board of Directors Chairman Scott Meyerhoff, COO and CFO of InComm were on-hand to present the award.



Congressman Price's involvement with the ATPC dates back to its early days at the first payments leadership roundtable in 2013, and he served as a keynote speaker at the coalition's town hall launch, April 2014 at InComm in downtown Atlanta. He spoke passionately at both gatherings, about the need for the organization, and a unifying effort of the payments industry that is critical to Georgia's future. Since then, he has been a central force aligning the Georgia delegation in support of the industry, which most notably included challenging the CFPB's Prepaid Card Rule review process. His leadership helped secure bipartisan support from Georgia's Congressional delegation.

"When I introduced the concept, mission, and vision of the ATPC to the Congressman he immediately understood," said H. West Richards, executive director of the ATPC. "He realizes the impact that the 90-plus payment processing and FinTech companies in Georgia's Transaction Alley have on the economy, both in jobs and revenue, and the need to protect and keep those companies in Georgia."

The award is one of three in the Coalition's annual program, debuting this year. The other awards, "Transaction Alley Corporate Excellence" and "Transaction Alley Citizen Award," will be announced in the coming weeks, and all three recipients will be recognized at a June reception.

The ATPC has made significant progress in Washington, D.C. since the Coalition's founding. Over the last two years, the ATPC has participated in more than 100 Congressional meetings with members of the U.S. House of Representatives and U.S. Senate, committee hearings, and met with leaders at the Department of Homeland Security, White House, and more.

ATPC Holds Payments Cyber Planning Summit for Industry Leaders, and Federal, State, and Local Government Officials
Inaugural meeting to build connectivity that drives “Transaction Alley” cyber-attack resiliency
April 22, 2016

Federal, state and local government officials met with payments company experts at the Atlanta offices of Holland & Knight to begin a dialogue about cooperation that improves Transaction Alley’s resiliency after a significant and coordinated cyber attack.



The summit, convened by the ATPC, is the direct result of a November 2015 meeting at the National Cybersecurity and Communications Integration Center during a Capitol Hill fly-in. Leadership from Homeland Security, the Secret Service, the FBI and the FSISAC agreed during the meeting that local conversations should commence to ensure attack prevention, preparedness and response capabilities are in place. The initial Georgia gathering is the first in a string of meetings intended to build relationships and a pipeline for data exchanges between the payments industry and government cyber officials. Representatives from the Department of Homeland Security’s Cyber Advisors program, Georgia Bureau of Investigation, Georgia Technology Authority, FBI Atlanta office, and City of Atlanta and industry experts shared their perspective on the current state of affairs and best practices with ATPC-member companies InComm and Ingenico Group North America, who also outlined the payments cyber environment and how the “plumbing works.”

A roundtable discussion closed the session, with participants setting goals and objectives for the group and planning its next meeting for Fall of 2016. Meeting participants then took a behind-the-scenes tour of InComm’s network operations center, to better understand how prepaid payment processors track and manage transactions from around the globe in real-time.

The Department of Homeland Security acknowledged Transaction Alley’s prominence, as evidenced by a forthcoming announcement that includes placement of a new, full-time person in Atlanta to manage their industry engagement. Understanding the national security dynamics associated with Transaction Alley’s role in the financial grid, the department committed to working with ATPC-member companies, voluntarily, on a more granular level to enhance cyber preparedness platforms for the payments industry. InComm and Ingenico Group North America have already committed to continue the dialogue and look for ways to share information and best practices that sharpen real-time defense. ATPC is taking a leadership role in enhancing Transaction Alley’s cyber resiliency. Stay tuned to the ATPC News Room for future developments.

Rep. Rob Woodall Keynotes ATPC Board Dinner; Additional Speakers included Two Georgia Delegation Members and a British Ambassador Vice Consul
October 18, 2016



ATPC board members, delegates, and staff gathered for dinner following a productive Q3 board meeting at the Washington, D.C. offices of Holland & Knight.

U.S. Rep. Rob Woodall (R-GA 7) delivered an energetic keynote at the event, speaking on the ATPC's key role educating Congress – not just the Georgia delegation – about the payments industry, its ecosystem, and how critical it is to the American economy and our national security.

Reps. Barry Loudermilk (R-GA 11) and Tom Graves (R-GA 14) were also in attendance with their staff, and gave remarks on the industry's importance to the state of Georgia. Rep. Loudermilk is a candidate for the House Financial Service Committee, and plays a leadership role in the House Payments Caucus. Rep. Graves is slated to become the Chairman of the House Appropriations Subcommittee on Financial Services next year, which gives him status as a "Cardinal" on Capitol Hill. This subcommittee funds the 19 federal agencies that have oversight of the industry.

Finally, Daniel Marks, Vice Consul for the British Embassy spoke to the ATPC's vision and leadership in driving the P20 concept, an annual convening of the 20 most-influential payments industry global influencers and financial services regulators in the United States and the United Kingdom. He stated that the British Embassy fully supports the initiative, and that the ability to create a Trans-Atlantic partnership between Atlanta and London will only benefit both parties involved, especially in creating regulation that fosters innovation and cooperation.

Capitol Hill Fly-In Features 22 Meetings, and Requests to Join Payments Caucuses October 18, 2016



Fifteen ATPC board members, delegates, and staff descended on Capitol Hill House and Senate office buildings September 14th during the third annual Washington, D.C. fly-in to discuss issues ranging from innovation to cybersecurity within the payments processing industry.

During its first two-and-a-half years, the ATPC established key relationships with Georgia members in both houses of Congress, which led to the establishment of the Congressional Payments Technology Caucus, and Senate Payments Innovation Caucus – both featuring participants, and even co-chairs from Georgia’s delegation.

The ATPC contingent focused their efforts this most-recent fly-in on Congressional offices representing districts outside of Georgia. ATPC member companies, while often headquartered or with major operations in Georgia’s Transaction Alley, have offices in other locations around the country too. The ATPC has leveraged this geographic “hub-and-spoke” concept to identify and engage the Congressional offices of all ATPC member company locations across the country. Many of these House and Senate members outside of Georgia serve on committees that either have influence or direct oversight of the industry which allows the ATPC to provide critical insight into how certain legislation will impact their constituents.

All 22 meetings during the September 14th fly-in were impactful, and some key sessions included: Chief Deputy Majority Whip Patrick McHenry (R-NC, 10) in the U.S. Capitol building; Senate Cybersecurity Caucus co-chair Cory Gardner (R-CO); both Florida Senators Bill Nelson and Marco Rubio; Senate Payments Innovation Caucus co-chair Tom Carper (D-DE); Senator David Perdue (R-GA); and other leaders from Colorado, Georgia, Illinois, Maryland, New York, Pennsylvania, South Carolina, Tennessee, Texas, and Wisconsin.

These meetings provided an introduction to the ATPC and payments industry for many of the Congressman, but for others – particularly those with a constituent company presence in their district – conversations revolved around the payments caucuses, and specific asks to join its membership where applicable.

Congress is in recess through the election, but ATPC staff and the federal government relations team at Whitmer & Worrall will continue to engage key staff to build on this momentum.

Mini Fly-Ins

The ATPC held three “mini” Washington, D.C fly-ins in 2016 to discuss the Coalition’s legislative priorities. Over the course of the year, the ATPC introduced Scott Meyerhoff as the new chairman, conducted meetings with the newly formed Senate Cybersecurity Caucus, engaged the House Congressional Payments Technology Caucus’ (CPTC) transition for Rep. Lynn Westmoreland (R-GA, 3), and met with House leadership offices to discuss the Innovation Initiative.

The federal government relations team at Whitmer & Worrall coordinated a “mini” fly-in on April 27th and 28th with ATPC board members. The team met with the following during this DC trip:

- Rep. Lynn Westmoreland (R-GA, 3rd)
- Rep. Rob Woodall (R-GA, 7th)
- Office of Rep. John Lewis (D-GA, 5th)
- Office of Rep. Patrick McHenry (R-NC, 10th)
- Office of the House Financial Services Committee Chairman Jeb Hensarling (R-TX, 5th)
- Office of House Republican Majority Leader Kevin McCarthy (R-CA, 23rd)

April Fly-In Produces New Congressional Allies, and Recognizes Rep. Tom Price

May 26, 2016

The ATPC continued its engagement of leaders on Capitol Hill during Q2, hosting a “mini” fly-in and special award presentation to a member of Congress for his support of the ATPC and payments industry.

ATPC Chairman Scott Meyerhoff, COO and CFO at InComm; H. West Richards, ATPC Executive Director; and the ATPC federal government relations team built upon their relationships with the Georgia congressional delegation meeting with Rep. Rob Woodall (R-GA, 7th), and the offices of Rep. Lynn Westmoreland (R-GA, 3rd) and Rep. John Lewis (D-GA, 5th). The ATPC continues to be a resource for these offices in regards to payments and FinTech legislative issues that arise in the nation’s capital.

The Coalition also introduced itself to Congressional leaders like Chief Deputy Whip Patrick McHenry (R-NC, 10th) and House Republican Majority Leader Kevin McCarthy (R-CA, 23rd). The meetings with these offices were particularly important as the congressmen are teaming up on a package of legislation dubbed the “Innovation Initiative” – an effort to ensure the government adapts to changing times and allows every person and business an opportunity to succeed. The ATPC presented its letter of support for the Initiative, encouraged a visit to Georgia’s “Transaction Alley” after the delegation’s Silicon Valley trip, and sent a letter of thanks and commendation for both congressmen’s leadership on the innovation front particularly as it applies to the FinTech industry.

In addition, ATPC leadership presented Rep. Tom Price (R-GA, 6th) with the first ATPC “Congressional Legislative Champion” award inside the House Budget Committee Room in the Cannon House Office Building. Congressman Price has been a champion and political co-founder of the ATPC since its launch in 2014, and a key voice in Washington, D.C. for the payments industry that calls his district, and all of Georgia, home.



ATPC, InComm Host Two U.S. Congressmen For Meeting on the Industry



Reps. Patrick McHenry (R-NC), Chief Deputy Whip and Vice-Chairman of the House Financial Services Committee, and Barry Loudermilk (R-GA) visited Transaction Alley on Monday, August 22nd – meeting with Board Chairman Scott Meyerhoff, board member Barry McCarthy, board delegate Bob Skiba, and ATPC Executive Director H. West Richards at InComm for more than two hours, discussing the vibrant payments ecosystem in our state.

This meeting was particularly important for two reasons. First, Rep. McHenry is co-chairing the Innovation Initiative along with his colleague Rep. Kevin McCarthy (R-CA) whose district includes Silicon Valley. In addition, this not only leveraged the ATPC’s relationship with the Congressman and his staff to meet again in Washington, D.C., but also further influence the Innovation Initiative policymakers to visit Atlanta.

U.S. Representative Hank Johnson (D-GA) Visits Member Companies Elavon and Ingenico Group North America

Both Elavon and Ingenico Group North America hosted Rep. Hank Johnson (D-GA) on Monday, August 22, sharing background on the industry in Georgia and insights into the innovation taking place around mobile and digital payments, cybersecurity, and talent acquisition with the Congressman and his staff while in district.



ATPC Issues Statement on CFPB Prepaid Card Ruling
October 11, 2016

The ATPC has monitored and engaged in the CFPB’s proposed prepaid card rule process during the last two years, even uniting the bipartisan Georgia Congressional delegation to sign a letter to Director Richard Cordray asking for an extension of the comment period to review the initial 800-plus page document. The final prepaid accounts rule was delivered on October 5th, and ATPC Executive Director H. West Richards offered the following comment:

“The final rule is significant in length and will take time to review, but we do know for a fact that certain requirements within the final rule will negatively impact the very consumers the CFPB seeks to protect. We applaud the few changes to the original rule that represent feedback from the prepaid card industry during the review session. And our industry remains committed to ensuring America’s non-banked and underbanked receive a secure, effective and affordable tool to meet their financial needs – and hope to continue dialogue with the CFPB, other regulators and legislators on how best to meet those goals.”

ATPC Supports Rep. McHenry Legislative Efforts to Increase FinTech Innovation

October 18, 2016

The ATPC endorsed Representatives Patrick McHenry and Rep. Kevin McCarthy's Innovation Initiative when it was announced in March 2016. And now the ATPC further stands with Rep. McHenry and his efforts to enhance American FinTech investment through, H.R. 6118, the Financial Services Innovation Act of 2016 that was recently introduced for Congressional consideration. The ATPC and its member companies fully endorse the determination of Rep. McHenry to establish and stimulate a positive innovation environment for the FinTech and payments processing industries in America, and the role it will play in ensuring our country leads the future of global transactions.

State legislatures and the private sector have attempted to spur innovation through investment for years. The ATPC has been working with Britain's private sector, legislators and leading business organizations this year to discuss regulatory practices on each side of the pond in hopes of strengthening best practices and future collaboration. The U.K. currently employs a regulatory "sandbox" methodology that aims to create a 'safe space' for businesses to test innovative products, services, business models and delivery mechanisms in the marketplace without the usual oversight typically associated with the launch of innovative products. Results in the U.K. have been positive, with increased investment and an array of products moving from concept to market in rapid succession. Rep. McHenry's Financial Services Innovation Act seeks to create a federal role in the collaborative environment similar to the U.K. sandbox that drives innovation and legislation that fosters a fertile marketplace that also provides necessary consumer protections.

The legislation would create a Financial Services Innovation Office, or FSIO, to regulate FinTech in the United States, and would be implemented across all federal agencies. These resulting FSIO Liaison Committees will facilitate cooperation, and information and data sharing amongst financial services companies. As is the case with most legislation, this act includes complex elements that will be poured over by members of Congress and their staff. But supporting the development of innovative financial technology remains at the forefront of the bill, and earned the support of the ATPC and its member companies as a result.

The ATPC has worked diligently to build a relationship with Rep. McHenry, including visiting with the Congressman during the September Capitol Hill fly-in, where ATPC Executive Director H. West Richards and a delegation of board members and member company representatives participated in a meeting inside the United States Capitol.

The Congressman also visited Transaction Alley that same month, meeting with ATPC Executive Director H. West Richards, InComm executives including ATPC Board Chairman Scott Meyerhoff, and First Data EVP and ATPC Board Member Barry McCarthy

Additional Educational Activities

- Supported Rep. Sanford Bishop (D-GA, 2) who requested a statement for the Congressional Record for the House Appropriations Committee hearing titled “Budget Hearing: Department of Treasury International Programs” on March 15, 2016. The ATPC’s statement was offered and accepted
- Worked with Rep. Chabot (OH), Chairman of House Small Business Committee, to help understand the impacts to small businesses and retailers transitioning to EM&V technology protocols
- Board Chairman Scott Meyerhoff met with House Majority Leader Kevin McCarthy’s (R-CA, 23) Chief of Staff in his Capitol “hideaway” to discuss the ATPC’s role in advancing the Innovation Initiative. Scott Meyerhoff also wrote a letter to the House Majority Leader dated for May 9, 2016 as a follow-on to the meeting
- On May 18, 2016, Chief Deputy Whip Patrick McHenry (R-NC, 10) drafted a “Dear Colleague” letter to the Government Accountability Office calling for further research on the benefits of FinTech startups, and requested the ATPC’s assistance to receive Georgia delegation signatures

Policy Tracking and Development

- ATPC met with offices related to introduction of S. 2315 – “Pre-Paid Card and Mobile Account Protection Act” – Senator Menendez (NJ) lead Sponsor, amends Expedited Funds Availability Act
- On Wednesday, July 14, 2016, the House Energy & Commerce’s Subcommittee on Commerce, Manufacturing, and Trade introduced H. Res 835 to encourage the United States to embrace FinTech as a growing industry
- On Tuesday, June 14, 2016, Sen. Mark Warner (D-VA) and Sen. Cory Gardner (R-CO) announced the formation of the Senate Cybersecurity Caucus, which ATPC continued to support through education and mobilization
- On Tuesday, July 26, 2016, The White House established a Presidential Policy Directive (PPD) to encourage the public and private sectors to engage in “cyber incident coordination.” The PPD designates lead federal agencies and constructs a plan for Federal Government response initiatives
- On Thursday, September 22, 2016, Chief Deputy Whip Patrick McHenry (R-NC, 10) introduced H.R. 6118, The Financial Services Innovation Act of 2016. Whitmer & Worrall hand-delivered the ATPC letter of support for the bill to target Congressional offices
- ATPC held multiple meetings with House leadership offices related to the Innovation Initiative; the offices included: House Speaker Paul Ryan (R-WI, 1), House Majority Leader Kevin McCarthy (R-CA, 23), and Chief Deputy Whip Patrick McHenry (R-NC, 10)

2017 Initiatives and Legislative Priorities

The ATPC has a busy 2017 planned on the federal government affairs front. Priorities have crystallized, relationships have been cemented outside the Georgia Delegation and it is now time to continue engagement on key priorities. The ATPC is monitoring, tracking and attending Congressional committee hearings and events to ensure that members are aware and included in 2017 Congressional priorities.

2017 priorities for the ATPC include:

- The Congressional Innovation Initiative
- Cybersecurity legislation
- Data breach legislation
- CFPB reform

The ATPC will conduct outreach and relationship building with key federal agency leadership, including Department of Homeland Security, Department of Treasury, and the White House. And the ATPC will continue to play a leading role with the House and Senate Payments Caucuses and their respective agenda. P20 will also be a priority of the federal government affairs team, as they will coordinate outreach to extend invitations to participate in the inaugural October event in London, England.

The ATPC has worked hard for the past 18-months to create a first-of-its-kind Transaction Alley Cyber Forum. The plans have come together, and this will be a priority and shining milestone for 2017. The forum, “Exploring Payments Resiliency in Transaction Alley,” will be held on Monday, May 22, 2017. Sens. Johnny Isakson and David Perdue (R-GA) has confirmed their attendance.

And the ATPC will host its annual Washington, D.C. Board Meeting and Fly-In on Wednesday, September 13, 2017 – Thursday, September 14, 2017.

State Government Affairs 2016 Legislative Session

The 2016 Session of the Georgia General Assembly presented the biggest opportunity for the ATPC to have an impact at the state level, since its founding. As usual, the organization would monitor and engage elected officials, agencies and staff around industry related issues. But the ATPC also sought to elevate its engagement, and deepen key relationships through education, serving as a resource, and making its first push into legislative rulemaking through a proposal to create a FinTech and Payments study committee.

The ATPC's state efforts, led by J.L. Morgan and Company, kicked the 2016 legislative session off by coordinating and executing a Joint House and Senate Economic Development Committee "Lunch and Learn" to discuss the mission of the Coalition and the global implications that Georgia is a part of in transaction processing – noting the prevalence of "Transaction Alley" that many members were unaware of the concentration and size of companies in the corridor. The "Payments 101" lunch and learn served as an excellent foray into the drafting of a Study Committee on the Industry by Sen. Brandon Beach (R-Alpharetta) and Rep. Ron Stephens (R-Savannah) that would evaluate many of the industry's critical issues further in the summer, following adjournment of the legislative session.

The ATPC identified two bills early on – HB 1017 (an expansion of e-discovery laws) and SB 276 (data security bill) – that were potentially problematic for members and the business community at large. The ATPC worked closely with stakeholders, including AT&T, TSYS, First Data, McKesson, and others, to inform legislators and the Georgia Attorney General's office of the potential catastrophic effect that the measures would have on the business community if approved. After several lengthy hearings neither bill went on to achieve final passage; the ATPC and its consultants reported to members in real-time throughout the proceedings, and both issues will be monitored during the 2017 session of the Georgia General Assembly as there is a chance that they could return.

Neither SB 255 (a comprehensive update to Georgia's garnishment laws) or SB 389 (extensive revisions to TANF/SNAP laws) was initially identified as specifically problematic for ATPC members, yet the state government affairs team monitored both pieces of legislation closely throughout the session because they could have easily been amended to include onerous language. The government affairs team provided real-time updates on the numerous changes to each and worked with ATPC member companies to ensure that the changes would not negatively impact their business models.

Late in the session, Sen. David Lucas (D-Macon) tried amending SB 388 (originally prohibited defacing Coin Operated Amusement Machines) to include language that would have permitted COAM payouts to include gift cards with unrestricted funds. After discussing the status of the bill and its potential impact with the Georgia Lottery Corporation and affected ATPC member companies, the government affairs team worked closely with Georgia Lottery to ensure that the final bill did not include such broad language. In the waning hours of the session, Sen. Lucas' language was removed in the House Rules Committee and the original bill achieved final passage without further changes – and without the potential negative impact to ATPC members, and the industry.

Senate Bill 282 was also identified as particularly problematic for payments companies because of the civil cause of action it created for firearms dealers who feel that a financial institution refused them service because of the products they sell. The ATPC worked closely with both Sen. Jesse Stone (R-Waynesboro) and the financial community at large to educate elected officials about the issues the measure could create. A House Banks and Banking Committee hearing in which committee members repeatedly questioned the author about the need for the measure, added the bill to HB 1060 in the Senate Judiciary Committee. The ATPC worked to prevent an amendment from being added that would have specifically applied the measure to payment processors, and worked with the financial community to ensure the addition of language clarifying that the state law is preempted by relevant federal law. The bill went on to achieve final passage with no likely impact to the payments industry.

The biggest undertaking and success of the 2016 session stemmed from the Payments 101 luncheon held with the Joint Economic Development Committees. The ATPC leveraged the discourse and relationship building that resulted, to collaborate with Senate Economic Development Chairman Brandon Beach (R-Alpharetta) to introduce a resolution creating a study committee on economic incentives for the financial technology and payments processing industry in Georgia. With help from champions, Chairman Ron Stephens (R-Savannah), House Speaker David Ralston (R-Blue Ridge) and Lt. Gov. Casey Cagle, the measure achieved final passage on the last day of the legislative session.

Joint Study Committee on Incentives for Financial Technologies and the Payments Processing Industry



Senate Resolution 883, passed at the end of the 2016 Georgia General Assembly session, created the Joint Study Committee on Incentives for Financial Technologies and the Payment Processing Industry. The group held three meetings from August through December, working to ensure Georgia maintains its leadership in the industry with the help of the state’s resources, as it faces competition from other domestic and global cities investing in talent and technology; and seeking to recruit Transaction Alley companies away.

The study committee was co-chaired by Sen. Beach (R-Alpharetta) and Rep. Ron Stephens (R-Savannah), with appointed members Rep. Greg Morris (R-Vidalia), Rep. Bruce Williamson (R-Monroe), Sen. Burt Jones (R-Jackson), Sen. John Albers (R-Roswell), and Commissioner Chris Carr and Dawiet Zamadie from the Georgia Department of Economic Development (GDEcD).

ATPC Members and staff were invited to present on numerous occasions on the impact that “Transaction Alley” has on Metro-Atlanta and Georgia. The ATPC presenters included: H. West Richards; Scott Meyerhoff (InComm); Christopher Justice (CenPOS); Simon Haslam (Elavon); Lara Hodgson (NOW Account Network Corporation); Sir Peter Radcliffe (London’s Global Ambassador for Payments Industry); and Keith Hartford (WNA). The Committee quickly recognized the importance of preserving the “Transaction Alley” moniker, and to do such, the state would need to address the need for skilled workers – with a focus on higher education curriculum pipelines -- and recognize the necessity for continued support of the FinTech industry. And Sir Peter Radcliffe, London’s Global Ambassador for the Payments Industry, spoke to the study committee on the ongoing efforts to roll out the P20 initiative – and the members of the Committee were very positive in their reception to such a concept.

The final report was released in January of 2017, which achieved the goal of educating the Study Committee – along with members of the General Assembly – about the tremendous impact that the industry has on Georgia’s economic development and workforce. The report also outlined a series of broad steps that the General Assembly could consider to better support the needs of the growing FinTech and payments industries in Georgia.



Governor Deal Recognizes ATPC Chairman for Economic Development Leadership

March 1, 2016

A special presentation took place at the Federal Reserve Bank of Atlanta following the Q1 2016 ATPC Board of Directors meeting and PeachPay program on February 10th. ATPC Board of Directors Chairman Tony Catalfano received a proclamation from Governor Deal and the state of Georgia, presented by ATPC's state government relations consultant, Jay Morgan, on their behalf.



The State of Georgia proclamation thanks Tony Catalfano for his leadership of FinTech and payments in Georgia, as Transaction Alley became a well-recognized industry the past two years through the alignment of the U.S. Congressional delegation, education of state legislators, and significant progress on the industry's economic development agenda.

Tony recently departed his role as President and CEO of Worldpay US, after their successful IPO on the United Kingdom stock exchange. Tony, current chairman of the ATPC, was an early leader of the Atlanta FinTech Task Force, and also was heavily involved in the community through the Atlanta Ballet and Make-a-Wish Foundation.

2017 Legislative Session

The 2017 legislative session was set to begin on January 9th, 2017 and will proceed with its biannual meeting of 40 legislative days, concluding on March 30th. The government affairs team will monitor and work on several issues that impact the payments industry and ATPC members. Notably there is a nationwide trend to add additional fees to wire transfers and other transactions that send funds out of state. Legislation in Georgia is currently being contemplated and the ATPC is working closely with allied entities like the Technology Association of Georgia, the Metro-Chamber and others to prevent undue regulatory burden on transaction processors.

Issues that arose late in the 2016 legislative session are likely to surface again, including: a civil cause of action for financial institutions who refuse to lend to firearms dealers; cybersecurity breach notification disclosures; and related issues impacting the relationship between payments and payments processing.

Members of the ATPC were invited by the Senate Banking Committee to provide an update on the Coalitions progress. There is a new Senate banking chair, and a host of new members, which will allow the ATPC to further the mission of educating key influencers in the General Assembly on the impact that FinTech has in Georgia.

The ATPC will continue working with the Georgia Department of Economic Development to engage the state in launching the P20 initiative. "As Georgia continues to solidify its status as a national leader in business, the FinTech sector relies heavily on our state to meet the growing demands of an evolving society," said Georgia Department of Economic Development Commissioner Pat Wilson. "International relationships like P20 provide an opportunity for our state to continue its dominance in payments, where more than 60 percent of the U.S. FinTech market is located. We look forward to sharing insights and best practices into how our robust infrastructure, skilled workforce and accessible resources play a huge role in the success of this industry in Georgia, and the industry's expanding role around the world."

PROGRAM ACTIVITY

***Public Affairs
Executive Summary***

Raising the profile of Transaction Alley, and in turn the ATPC and its member companies, remained a primary focus for the organization in 2016. Building upon 2015 successes like promoting workforce and infrastructure investments by Worldpay US and InComm, the ATPC in 2016: announced several key initiatives and promoted member company news; continued gaining exposure in local, national, and trade media outlets; maintained itself as a credible resource for industry data and analysis on the public policy front; and announced new logo branding for the organization.

Specific activities and accomplishments for 2016 included:

ATPC Proud to Welcome Member-Company, Merchant e-Solutions, to Atlanta
January 22, 2016

Silicon Valley-based Merchant e-Solutions, a division of global payment processor Cielo, announced plans this week to move their U.S. headquarters from California to metro Atlanta. The ATPC member-company plans to begin moving approximately 140 jobs to their Buckhead office space, with intentions of adding workforce in the next couple of years.

ATPC leadership traveled on a trade mission to Brazil with Governor Deal and the Georgia Department of Economic Development (GDECD) in DATE, as part of the recruitment effort. Read a full recap of that economic development trip, with a focus on FinTech, [here](#).

“This is a historic relocation for Atlanta, as a Silicon Valley company is picking up roots for Transaction Alley, America’s payments hub,” said H. West Richards, Executive Director of the ATPC. “We are committed to helping the company connect with local, state and federal policy makers to build upon the early support garnered for the move, including Invest Atlanta and State of Georgia incentives that made the deal possible.”

The announcement was prominently featured in local news, including in the Atlanta Business Chronicle, Atlanta Journal-Constitution, and Global Atlanta.



Merchant e-Solutions puts headquarters in Atlanta, will bring 140 jobs

The global payment processor will invest \$5 million in the Atlanta headquarters at Buckhead’s Live Oak Square.

**The ATPC Continues Collaboration with Technology Association of Georgia By
Providing Input for 2016 Industry Analysis**

February 5, 2016

The collaboration between companies and trade associations has increased in Georgia's Transaction Alley the past year-and-a-half. And that collaboration continued as the FinTech community came together to create a robust industry analysis, as part of the Technology Association of Georgia's (TAG) "State of Georgia's FinTech Ecosystem 2016" white paper. And the ATPC participated by lending an editorial and commentary to a final video.

ATPC was asked to craft an editorial piece on the recent successes, and recognition, of Georgia's Transaction Alley and the companies that make it up. But the piece warned that steep challenges still must be conquered if Transaction Alley is to remain a relevant, dominant player in the industry.

"Transaction Alley faces competition from other smaller but significant FinTech clusters across the U.S. And other countries are investing to grow their own FinTech and payments industries to get a share of the global processing market," reads the editorial penned by ATPC's Executive Director, H. West Richards.

The report was provided to the public for the first time at the trade group's annual TAG FinTech GA Symposium in February. The full white paper can be read [here](#), with ATPC's editorial on page 14 of the document.

West Richards was featured on a video played at the February event, which can be viewed below, speaking about the Coalition's charge to educate legislators at both the state and federal level. He also spoke about the importance of encouraging innovation within Transaction Alley, by competing with "wealthier" competitors like Silicon Valley and Austin. He also argued that successfully competing requires continuing to add top talent. The ATPC is working alongside TAG and the Metro Atlanta Chamber to address these issues through the recently launched and activated Atlanta FinTech Task Force.

ATPC Executive Director Featured Guest on Dana Barrett Show
February 24, 2016



Interest in the FinTech and payments industry, driven by the 70-plus companies that make up Georgia’s Transaction Alley, continues to grow. ATPC Executive Director, H. West Richards sat down with Dana Barrett of “The Dana Barrett Show,” on Atlanta’s Biz1190AM to talk about the Coalition and it’s increasing impact locally, and at the federal level.

The interview covered topics around the ATPC’s education of state legislators to form a study committee that will address the needs of companies in Transaction Alley, impact of current legislation in Georgia on business and economic development initiatives the Coalition is driving, and the ever-increasing topic of cybersecurity.

Listen to the full 15-minute interview [here](#). This was West’s second appearance on the radio show – his 2015 interview introduced the Coalition to local Atlanta airwaves. A full recap of his first conversation with Dana, and the interview can be found [here](#).

Dana Barrett Show can be heard on Biz1190AM and online at biz1190.com weekdays from 9:00 a.m. to 11:00 a.m.

Georgia Tech's Advanced Technology Development Center Kicks Off 2016 Speaker Series with ATPC February 25, 2016



The Advanced Technology Development Center (ATDC) at Georgia Tech is regarded as one of the most successful incubators in America. Their annual speaker series kicked off 2016 with ATPC Executive Director H. West Richards.

As part of the hour presentation to the room of entrepreneurs and Atlanta business leaders, West not only gave a recap on the Coalition's successes in 2015 and what is planned for 2016, but also how entrepreneurs are critical to the success of Georgia's Transaction Alley.

"The top priorities for Georgia's payments companies revolve around innovation and workforce development," said West Richards during his talk.

He also announced the launch of the Coalition's three new working groups for 2016, focusing on cybersecurity, innovation, and a Georgia FinTech curriculum. All three groups provide an avenue for the entrepreneurs in the room to give input and expertise on the subjects. West also applauded Worldpay US for their leadership in investing in innovation by funding the ATDC's FinTech incubator for three years, and encouraged other Transaction Alley companies to follow their lead.

The ATDC Speaker Series provides a platform for presenters to engage with entrepreneurs and early-stage companies, enhancing their experiences, resulting in better decisions, better leadership and better results.

Awards Program

ATPC established an awards program in 2016, with the goal of celebrating the organization's progress and the people who helped move the industry needle.

In its inaugural year, the ATPC presented four awards as follows:

- Congressman Tom Price received the first "Legislative Champion" award for his early and steadfast championing of the ATPC concept, related legislation, and well-being in Congress and among the industry ecosystem
- Georgia State Senator Brandon Beach received the ATPC "State Legislative Champion" award for leadership in pushing Senate Resolution 883 through the 2016 state legislative session, creating a Joint Study Committee on FinTech Incentives
- Worldpay US was presented with the "Transaction Alley Corporate Excellence" award for their leadership in driving innovation, talent development, and industry collaboration through their investments in the ATDC, and leading the in-town migration
- Mark Lytle received the "Transaction Alley Citizen Award" at the ATPC's holiday reception in December for his leadership in the early development of a FinTech curriculum to strengthen the talent pool and payments ecosystem in Georgia

American Transaction Processors Coalition Celebrates Two-Year Anniversary

April 14, 2016

Two years ago today we launched the ATPC at our first town hall meeting. We've made tremendous strides since then and have many folks to thank, with special recognition to: our board of directors; member companies and sponsors; Governor Nathan Deal; Mayor Kasim Reed; and Rep. Tom Price, Senator Johnny Isakson, and the entire Georgia Congressional delegation.

Since commemorating the first anniversary last year, the ATPC has successfully:

- Secured establishment of a Joint FinTech Incentives Study Committee in the Georgia General Assembly – special thanks to Sen. Brandon Beach, Rep. Ron Stephens, Lt. Gov. Cagle, Speaker David Ralston, among others for their vision and support of SR883 throughout the 2016 legislative session
- Launched the FinTech Atlanta Task Force, in partnership with the Metro Atlanta Chamber and Technology Association of Georgia
- Created the Re-Up GA initiative to support and promote the talent and infrastructure investment efforts of member-companies Worldpay US, InComm, and Merchant e-Solutions
- Worldpay US is moving approximately 600 employees from Sandy Springs to a new Atlantic Station HQ; and also gifted \$1 million and executive leadership to foster innovation at Georgia Tech's ATDC FinTech Accelerator
- InComm committed to creating more than 275 jobs and \$20 million in expansion across four offices
- Merchant e-Solutions (a Cielo company) announced plans to move their U.S. headquarters from Silicon Valley to Buckhead. The ATPC, traveled to Brazil this summer on Governor Deal's trade mission, introducing him to Cielo and the FinTech marketplace in South America
- Recruited new members and sponsors including First Data, Hewlett-Packard Enterprise, and WNA Consulting
- Met with the Department of Homeland Security's National Cybersecurity and Communications Integration Center in Arlington, VA, leading to yesterday's DHS Cybersecurity Advisors meeting in Atlanta with local, state, and federal government agencies
- Secured Georgia Congressional delegation support for the passage of the 2015 Federal Cybersecurity [CISA] bill
- Organized Georgia Congressional delegation support in challenging the insufficient comment period following the CFPB ruling on Prepaid
- Played a significant leading role influencing the passage of an industry friendly 2015 Georgia Payroll Card bill
- Continued the PeachPay Payments Advisory Council in partnership with the Federal Reserve Bank of Atlanta
- Grew membership in the U.S. House and Senate Payments Caucuses

Thanks to everyone who helped the payments industry become 2015's "driver of state's economic agenda," we look forward to your continued support and partnership into the future. Read more about the ATPC's accomplishments since its launch on the ATPC's News Room or by reading both the 2014 and 2015 Annual Report.

Member Company Spotlight: “Transaction Alley” Companies Part of GDEcD Campaign
 May 26, 2016

ATPC member companies Elavon, InComm, Ingenico Group North America, and Worldpay US participated in the Georgia Department of Economic Development’s (GDEcD) print and digital advertising campaign designed to attract companies and talent in the payments industry to Georgia’s “Transaction Alley.”

This partnership grew out of the ATPC’s deep relationship with the department and ongoing education of the payments industry’s dominance in Atlanta. The payments sector was featured along other hot industries like logistics, manufacturing, and health IT – the campaign will run throughout 2016.

A print advertisement can be found in the May 2016 issue of Delta Sky magazine, and targeted digital banner ads are featured on high-traffic websites in key markets like Austin, San Francisco, Boston, and among others. Promotion of these companies and the industry can also be found in the GDEcD newsletter, on their website Georgia.org, and their Facebook and Twitter platforms.

Georgia is where 70 percent of all U.S. financial transactions are handled. When choosing a location for their **FinTech Operations**, these companies and many others selected Georgia:

ACI Worldwide	Cardlytics	Global Payments	Paymetric	TASQ Technology
ADP	ControlScan	Kabbage	Priority Payment Systems	TSYS
American Transaction Processors Coalition	Equifax	LexisNexis RIAG	SUNTrust	TTV Capital
BitPay	FIS	Merchant e-Solutions	Synchrony Financial	Vesta
	Fleetcor	NCR		Zurly

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Georgia Department of Economic Development

Press Release: Recognition of Payments Industry's Necessity Continues to Grow
ATPC Applauds Sen. Isakson's Leadership on "National Electronic Payments Week" Legislation
September 20, 2016

ATLANTA (September 19, 2016) – Senator Johnny Isakson (R-GA) announced today a legislative effort to recognize the critical role the payments industry, headquartered in Atlanta, plays in the current and future well-being of America and the world's economy during discussions at an Atlanta Trend and American Transaction Processors Coalition (ATPC) luncheon. Sen. Isakson and senate colleagues – Thomas Carper (D-DE), Chris Coons (D-DE), Tom Cotton (R-AR), Gary Peters (D-MI), David Perdue (R-GA), Michael Rounds (R-SD) – introduced the senate resolution today in the hopes of creating a "National Electronic Payments Week," which commences on Black Friday, and includes Small Business Saturday, Cyber Monday, and Giving Tuesday.

The resolution's goal transcends merely recognizing the industry during America's busy holiday season, and instead seeks to "foster an environment that encourages the continued growth, innovation, and security of electronic payments."

Credit, debit, and prepaid accounts used either in-store with a card or smartphone, or online make a 21st Century economy possible. Electronic payments are a central driver of the modern American economy, and they account for 70 percent of domestic purchases – far outpacing checks and cash. And Georgia is the American home of payments, with an ecosystem of 90 local companies processing more than 70 percent of \$4.4 trillion in credit card transactions last year, alone.

The holiday season is a time of togetherness for American families. And many of the 1.2 billion credit cards in circulation are used to purchase the corresponding holiday gifts at the more than eight million U.S. merchants. Holiday shopping accounted for more than 20 percent of U.S. merchant income in 2015.

"For the first time in American commerce, more individuals shopped online than in stores in 2015," said Isakson, who also co-founded and co-chairs the Senate Payments Innovation Caucus. "Our U.S. companies lead the payments industry, and Georgia is the industry's home. That's why I felt it was important to help launch a bipartisan legislative initiative to call attention to this vital industry during the busiest retail time of the year."

Senator Isakson was recognized at today's bi-monthly Atlanta Trend luncheon, as a guest of the ATPC, for his vision in helping Atlanta's payments processors coalesce around efforts to push for greater support among government and investment communities to drive innovation, security and jobs. The work of ATPC and partner organizations has led to creation of Congressional House and Senate payments caucuses, the ongoing Georgia General Assembly House and Senate Joint Study Committee on Industry Incentive for Financial Technologies and Payments Processing, the Federal Reserve Bank of Atlanta PeachPay, and other critical initiatives, in less than two years.

"Georgia is home to more than 60 percent of America's payments processing companies but few people outside the industry knew of this dominance," said ATPC Executive Director, H. West Richards. "We felt it imperative to educate members of government and business leaders about the payments industry to garner their support in developing the necessary talent, driving innovation, and ensuring information and infrastructure security to meet the demands of a global economy; and we've been fortunate to have champions like Sen. Isakson to ensure America retains its FinTech dominance."

About the American Transaction Processors Coalition

The ATPC was formed in 2014 to protect, promote, and preserve the interests of the payments processing industry in Georgia and across America through proactive government relations and public affairs activities.

About ATLANTA TREND™

An Online News and a Professional Networking venue. Since 2005 Atlanta Trend is providing opportunities for decision-makers, senior executives and professionals to gather, share, and learn from each other. Our newsletter reaches a large base of subscribers featuring Atlanta's top executives and the latest industry news. Atlanta Trend is sponsored by Holland & Knight.

ATPC Commends Governor Deal's Recent State Appointees

ATLANTA (November 1, 2016) – The American Transaction Processors Coalition (ATPC) commends Georgia Governor Nathan Deal for his appointment of Chris Carr as attorney general and Pat Wilson as commissioner of the Georgia Department of Economic Development (GDEcD), taking effect today.

ATPC established key relationships at GDEcD preceding its founding Town Hall event in April 2014. One of those relationships was Commissioner Chris Carr, who became an early advocate for the payments industry and continued the support throughout his term. Chris Carr recognized the critical nature of this business sector and became passionate about promoting “Transaction Alley” and growing jobs and investment, working with ATPC’s efforts promote and grow the industry in Georgia.

The ATPC worked with Commissioner Carr the past two years to announce creation of almost 1,000 industry jobs, more than \$100 million in infrastructure investment, and participated in a trade mission to Brazil that brought Merchant e-Solutions – Cielo’s American subsidiary – from Silicon Valley to Atlanta. Commissioner Carr also served as Governor Deal’s representative on the Joint Study Committee on FinTech. The ATPC acknowledges its champion and partner Chris Carr’s leadership at GDEcD, congratulates him on his recent appointment, and looks forward to continued engagement in his new role with relation to the payments industry.

Chris Carr’s transition to attorney general leaves a vacancy in the top GDEcD slot, which Governor Deal filled by promoting Pat Wilson. The ATPC also had the chance to work with Pat when he served as chief operating officer, a role he ably held since 2011. The ATPC looks forward to continuing its strong partnership with GDEcD to promote Georgia’s payments industry, and leverage Pat’s vision and leadership skills to recruit and grow talent, secure investment and drive innovation.

ATPC is the trade association responsible for creating the moniker “Transaction Alley” that depicts Georgia’s concentration of payments processing companies, and advocates on behalf of this region with local, state and federal government legislative and regulatory bodies.

About the American Transaction Processors Coalition

The ATPC was formed in 2014 to protect, promote, and preserve the interests of the payments processing industry in Georgia and across America through proactive government relations and public affairs activities.



By Urvaksh Karkaria

A global financial technology firm has picked Atlanta as the site of its U.S. headquarters. The move that will create more than 140 jobs.

Merchant e-Solutions, a division of Sao Paulo, Brazil-based Cielo S.A., is a commercial acquirer and global payment processing company.

Atlanta Business Chronicle first reported on Merchant e-Solutions Atlanta plans on Jan. 19. The relocation was codenamed Project Voice in economic development circles.

Merchant e-Solutions will invest \$5 million in the Atlanta headquarters at Buckhead's Live Oak Square. The company could take 20,000 square feet to 30,000 square feet of office space, according to a real estate industry source.

Merchant e-Solutions' technology platform enables merchants to securely do business in multiple channels including online, mobile, and in-person.

"We are excited to make Georgia our home," Merchant e-Solutions Chief Executive Officer Tom Bell said in a statement. "The Atlanta market brings us closer to key business partners and allows us to tap into the amazing talent of this rich financial technology epicenter as we establish and expand our local presence."

Merchant e-Solutions, which considered several states including California for the relocation, could receive \$140,000 in economic development grants, according to a filing with Invest Atlanta, the city's economic development arm. The new jobs will pay an average annual wage of \$86,610, according to the filing.

Atlanta is a financial technology hub. More than 70 percent of all U.S. payments are processed in Georgia's "Transaction Alley," according to the American Transaction Processors Coalition. More than 60 percent of the industry's companies are based in metro Atlanta, supporting more than 40,000 jobs in the state.



Merchant e-Solutions confirms Atlanta relocation plans

By J. Scott Trubey

January 20, 2016

Merchant e-Solutions, the U.S. arm of Brazilian payments firm Cielo, confirmed Wednesday its intent to move the company's headquarters to Atlanta.

The payments company, currently based in Silicon Valley, will move its corporate offices to an office building near Lenox Square in Buckhead. In a news release from Gov. Nathan Deal's office, Merchant e-Solutions CEO Tom Bell said, "We are excited to make Georgia our home."

The AJC reported the planned move online Tuesday. The newspaper also first reported last year that state and city officials were wooing the payment processor to move to Atlanta. Georgia is a major player in the world of financial technology. About 70 percent of all debit, credit and gift card transactions are processed across the networks of companies with operations in Georgia, according to the American Transaction Processors Coalition

"The Atlanta market brings us closer to key business partners and allows us to tap into the amazing talent of this rich financial technology epicenter as we establish and expand our local presence," he said.

The project involves 143 jobs with a planned move by the company into Live Oak Square in Buckhead, according to documents contained in a meeting agenda for the board of Invest Atlanta, the city's economic development agency. The Invest Atlanta board will consider a \$40,000 grant to aid the company's relocation at its Thursday board meeting, and the company could be eligible for a \$100,000 state aid grant, the documents say.

Jobs tax credits could push the incentive total far higher.

A visit with Cielo executives was the centerpiece of a trade mission by Gov. Nathan Deal to Brazil last June. The AJC reported then a major new operations center and possibly an innovation lab involving high-paid software and other tech jobs were believed to be part of Cielo's U.S. expansion plans.

In December, the AJC reported that recruitment could include the Merchant e-Solutions' U.S. headquarters.

"I had the pleasure of meeting with their leadership on an economic development mission to Brazil," Deal said in the release. "As a result, we can now celebrate the relocation of their headquarters from the Silicon Valley to Georgia. This announcement is further affirmation that our highly-skilled workforce, well-connected logistics infrastructure and culture of collaboration will continue to draw top-tier prospects like Merchant e-Solutions."

Atlanta Mayor Kasim Reed said the Merchant e-Solutions relocation helps the region in "solidifying our status as a national and international hub for transaction processing."



Brazilian Payments Subsidiary to Move Headquarters to Atlanta

By Trevor Williams

January 20, 2016

Merchant e-Solutions, the American arm of Brazilian payment processing giant Cielo S.A., is set to invest \$5 million in a new Buckhead headquarters that will employ 140 people.

The company is moving from Silicon Valley to Georgia, a fact being played up by boosters of an industry that many say has its epicenter in an Atlanta-area cluster they call “Transaction Alley.”

Gov. Nathan Deal visited with top executives from Cielo during a trade mission to Brazil last year, and reports have speculated that a Merchant e-Solutions move was imminent.

The company, which also does merchant acquiring — helping retailers accept payment cards — joins a payments industry hub that accounts for more than 40,000 Georgia jobs, according to the American Transaction Processors Coalition.

Despite its flagging economy, Brazil has become a key market in the sector for many Atlanta-based companies including Elavon and First Data Corp., as its population has grown wealthier and more apt to use plastic. Thanks to their home country’s malaise, many large Brazilian firms are exploring growth opportunities abroad.

“We are excited to make Georgia our home,” said Merchant e-Solutions Chief Executive Officer Tom Bell. “The Atlanta market brings us closer to key business partners and allows us to tap into the amazing talent of this rich financial technology epicenter as we establish and expand our local presence.”

Atlanta Mayor Kasim Reed, who led a 2014 mission to Brazil, said the city is “solidifying our status as a national and international hub for transaction processing.”

Transaction Alley, ATPC Subject of PaymentsSource Article

March 8, 2016

As many of you know, Bailey Reutzler of PaymentsSource.com spent two-days in Atlanta in late January interviewing payments and FinTech executives, elected officials, and other key stakeholders making up Transaction Alley – special thanks to those who participated, and represented the industry in interviews – as part of a 48-state payments and politics tour. That story, which was originally pitched in Fall 2015, will be running soon and we will be sure to share it.

However, Bailey was so struck with the efforts of Transaction Alley members aligning with government, the broader business community and each other, that she sought additional interviews for a separate story on this unique approach to growing the industry. The resulting full story, below, discusses the unique platform in Georgia that ATPC helped build by unifying diverse groups of stakeholders both within FinTech and outside, and the attraction of top talent to spur innovation. Greg Boardman of Ingenico Group North America, Ernie Buday of Worldpay US, and H. West Richards of the ATPC represent Transaction Alley in the story.

PaymentsSource

Accelerating Atlanta: How the South's FinTech Hub Attracts New Talent

By Bailey Reutzler

March 7, 2016

Atlanta is flush with payment processors that handle more than 70% of the nation's transactions. These players now plan to expand their reach even further, hoping to make the southern city a fintech hub to rival Silicon Valley and New York.

And Georgia's capital city is focusing on education to make that happen.

The American Transaction Processors Coalition, in conjunction with the Metro Atlanta Chamber and the Technology Association of Georgia, established a FinTech Task Force in September to help retain and grow the fintech community in the city and, more broadly, the state.

A short-term goal is to provide foundational courses to area universities and in the longer term set up two-year and four-year certificate programs, which will focus on a broader set of financial services-related categories including cybersecurity, design and payments.

Instead of catering to Wall Street's needs as many finance curriculums do, Georgia wants to make sure the country's payment processors, of which 60% are based in the state, get what they need. And what they need are passionate, young developers that aren't distracted by the shiny startups on the East and West Coasts.

"There is a youth movement in development that tends to chase after the shiny object, the sexy and fashionable companies that get their names splashed all over Twitter," said Greg Boardman, chief technology officer for North America at Ingenico. While the point of sale hardware maker is headquartered in France, its base of operations in the U.S. is right outside Atlanta in Alpharetta, Ga.

Young developers don't gravitate towards jobs with foundation and stability, said Boardman, but instead are pulled in by unicorn companies that aggressively market disruption. The reality check comes shortly after.

The complexity in finance is highlighted by the large swaths of startups that pivot to new business models. For instance, New York-based Regalli debuted as a digital remittance provider but three years later relaunched in the business-to-business payments market. According to company co-founder Inigo Rumayor, the switch came about after he realized, "Most of what I thought I knew turned out wrong."

Transaction Alley, ATPC Subject of PaymentsSource Article Cont'd.

In remittance, Regalli found high rates of online fraud, cumbersome compliance burdens, expensive customer acquisition costs and a userbase that transacted predominantly offline.

Legacy players tell startups, "here are the cliffs you don't have to jump off of because we've done it and there are the bodies lying on the ground," Boardman said. But many times startups decide "to jump and bounce off the castle walls before they ask for the key."

A fintech curriculum could help pioneering young people understand the market before wasting time reinventing the wheel, he contends.

The program would also teach specialized training such as PCI and EMVCo standards, instead of new hires being trained on these requirements from within a company.

Not that everything has to be done the same way it has been for decades. But changes often happen slowly in finance because of the complexity and seriousness of dealing with money. Plus there's too much invested in the legacy systems to just toss them out altogether and start fresh, Boardman said.

"There's sexy and then there's stupid," he said. "Sexy is taking something technologically complex and creating solutions that work friction-free in the context of what's there."

For those developers that understand finance and payments, Ingenico and the other "dinosaurs" (as Boardman calls the incumbents) have projects with the same depth and excitement that they expect from startups.

For instance, Ingenico is working on embedded payments and how to secure those payments with the largest retailers, the largest banks and even the National Security Agency. While these use cases are highly regulated and can become routine and repetitive, the projects are no less important to shaping a changing industry, Boardman said.

Transaction Alley

WorldPay, Fiserv, First Data, TSYS, Global Payments and even emerging players such as Kabbage and BitPay, a Bitcoin merchant services provider, call Atlanta home, giving the city the nickname Transaction Alley. It's the epicenter of payments with large, global banks right next door.

This can be particularly enticing for young developers and startups in fintech, since it means even if the startup fails and the developer winds up unemployed, there's a safety net in the area's legacy companies. Plus Atlanta has an active social scene and a low cost of living.

"Just knowing that information has helped me in recruiting; for anyone interested in payments, it's hard to ignore," said Boardman.

And the political environment is favorable as well.

Industry groups in Georgia have worked to educate legislators at the local, state and even federal level on the importance of the fintech industry. Payment processing companies in metro-Atlanta employ more than 30,000 people directly, with more than 250,000 people working in related fields.

These groups have had success allying with both Republicans and Democrats. For instance, 15 of 16 congressional members signed a letter to the Consumer Financial Protection Bureau asking it to extend the comment period for the 1,000-page prepaid advisory the bureau released. The biggest success was getting all four Democrats to sign the letter, since traditionally Democrats support the CFPB, said H. West Richards, executive director of the American Transaction Processors Coalition.

Transaction Alley, ATPC Subject of PaymentsSource Article Cont'd.

"The Georgia delegation is a little bit unique because they can work together," said Richards, who is also a longtime lobbyist on Capitol Hill.

The state's pro-business policies have attracted new companies and retained old ones.

Merchant E-Solutions, U.S. arm of Brazilian payments company, Cielo, was enticed to establish its presence in the state recently. The company is moving its headquarters from Silicon Valley to the metro-Atlanta area, bringing with it at least 140 jobs.

Plus the state was able to retain global payments company WorldPay. Last year, WorldPay was considering relocating to Texas or Florida to benefit from those states' pro-business policies, including no income tax.

No source would go into the specifics of the incentive package WorldPay received to stay in Georgia, but both relocation and tax incentives are the norm. And in return, WorldPay has pledged to add several hundred new jobs by December 2018.

But the biggest attraction is Georgia's tech community, said Ernie Buday, vice president of marketing for WorldPay US. "What got us to stay was the tremendous key partnerships we entered into and were able to secure."

WorldPay US has partnered with the Advanced Technology Development Center, giving the Georgia Tech Institute of Technology accelerator program \$1 million to fund a new fintech vertical for the next three years. WorldPay is also offering up its executives' time to developing courses, teaching classes and coaching startups.

"This will drive innovation not just for WorldPay but ensure the next generation of fintech innovation is created right here and we have an opportunity to be a part of that," Buday said.

The accelerator has been around for 35 years and has a 90% success rate, which means 90% of the companies it mentors are successful businesses (thriving, growing, acquired or merged) five years after graduating the program, said Michelangelo Ho, fintech head and catalyst for the Advanced Technology Development Center.

In terms of growth, the FinTech Task Force's goal is to provide the 100 companies already in Atlanta support and to grow the Atlanta fintech ecosystem's footprint by 3% to 5% by 2020, said David Hartnett, senior vice president of economic development at the Metro Atlanta Chamber.

Plus the fintech curriculum is being set up to align the incoming workforce with the fintech industry's needs.

"The priority initiative is to focus on educating students to work at these fast-growing payments companies," Hartnett said. "And we want people to think if you're going to do payments, you got to be in Atlanta."

Atlanta Business Chronicle: Fintech industry seeking state tax incentives

April 22, 2016

By Urvaksh Karkaria

Georgia's 30 percent film tax credit has turned the Peach State into a television and movie production hub that's nipping at Hollywood's well-groomed heels. Now, lawmakers are considering similar state-backed incentives to further boost Georgia's financial technology industry.

A joint study committee, comprised of appointees from both the Georgia House of Representatives and Senate, will meet this summer and fall to consider industry incentives for the financial technology and payments processing industry. These incentives could include corporate innovation center grants, a film industry-type tax credit, and/or incentives for education and training.

All incentive options will be on the table and could look very different than what we have seen done in the past, said H. West Richards, executive director of the Atlanta-based American Transaction Processors Coalition (ATPC).

"The two biggest problems fintech and payments companies have is workforce development and innovation," Richards said. "Any incentive that benefits either ... is going to be a win."

Unlike the state's film industry prior to the tax credit, Georgia is already a global financial technology and payments hub. The state is also home to more than 60 percent of the financial transactions industry.

But being strongest in fintech also has put a target on Georgia's back, said state Sen. Brandon Beach, R-Alpharetta, chairman of the Senate Science and Technology Committee and chief sponsor of the resolution creating the study committee.

According to industry insiders, Atlanta's financial technology and payments companies are being wooed by Texas, Florida and North Carolina.

"These companies are portable. They can pick up and leave," Beach said. "We need to do everything we can to make sure this industry stays in Georgia."

For now, however, the momentum is on Atlanta's side. Atlanta is among the top four sites eyed by payments companies looking to relocate or expand, Richards said, noting a half-dozen fintech companies are considering the city for headquarters relocation or expansion. The ATPC is working on economic development projects — one of which is a HQ relocation.

An attractive incentives package would lower the cost of doing business in the state and make Georgia competitive in swaying businesses on the fence, said Sean Banks, a partner at TTV Capital, a fintech-focused venture capital firm.

"More importantly, it signals that the state government is in favor of furthering our lead as the fintech capital of the world," he said. "It suggests the state considers the fintech industry a priority from a policy perspective."

Georgia has a robust and self-sustaining fintech cluster, said Brian Mahony, chief strategy officer at Elavon Inc.

"It's surprising that the industry has grown to the size it has without much in the way of local and state government involvement," he said. "Just imagine the accelerator effect a little pressure could have by adding even more to a pretty strong flywheel."

State-backed incentives toward R&D investment, improving workforce quality, fostering internship programs and lowering relocation costs add up during the site selection process, Mahony said.

While state-backed financial incentives would help drive business to Georgia, any tax credit would have to be revenue favorable for the state, said Tino Mantella, president of the Technology Association of Georgia.

"[Legislators] are not going to approve something that delivers a net-negative return," Mantella said.

Banks said a successful incentives program also would have a snowball effect as more fintech talent is attracted to Georgia.

"The more fintech jobs you have, the more likelihood of fintech industry employees spinning out of big companies to start new companies in the place they already live," he said.

Atlanta Business Chronicle: Lawmakers eyeing incentives for Georgia fintechs

By Dave Williams and Urvaksh Karkaria

August 19, 2016

Georgia lawmakers seeking to grow the state's financial technology industry are considering two models that have produced encouraging results: film and manufacturing.

The film industry's economic impact in Georgia has soared from negligible in 2007, the year before the General Assembly approved generous tax credits to lure film and TV productions here, to \$7 billion in fiscal 2016. Passage of legislation in 2013 eliminating the state sales tax on energy used in manufacturing has helped expand factories and retain manufacturing jobs.

The same incentives-based approach is needed now if Georgia is to hold onto a rapidly growing fintech industry that accounts for 30,000 to 40,000 mostly high-paying jobs, H. West Richards, executive director of the American Transaction Processors Coalition, told a legislative study committee at its first meeting Aug. 11.

"This industry is very mobile," he said. "These jobs can leave."

Georgia already is a fintech hotbed, third behind California and New York with about 100 companies active here, including six of the 10 largest. Industry leaders with a presence in the state include First Data Corp., Global Payments Inc., NCR Corp., WorldPay US, and Columbus-based TSYS.

More than \$40 billion in credit and debit card transactions are processed in Georgia, 60 percent of the world's total.

Connectivity and mobility are two key advantages to doing business in Atlanta that have helped Georgia attract fintech companies, said Scott Meyerhoff, chief operating officer and chief financial officer for InComm, a major prepaid card provider.

"All the fiber that runs up and down the East Coast runs through Atlanta," he said. "We can go anywhere around the world in one to two seconds. ... It's [also] very easy for us to go down to Hartsfield-Jackson[-Atlanta International Airport] and go anywhere we want to go."

The study committee, which includes members of the Georgia House of Representatives and state Senate, is expected to consider incentives that could help local fintechs expand and recruit firms to the state. The panel is due to make recommendations by Dec. 1.

Richards called for a tax credit initiative similar to the 30 percent credit geared toward the state's film and television industry.

"With the right public/private leadership turbo-charged with the right combination of incentives, Atlanta and Georgia have a real shot at emerging on the world stage as one of the great financial technology capitals of the 21st century," he said.

Richards said other incentives could encourage workforce development, such as university courses and on-the-job training. Such incentives also could include tuition reimbursement, reduced student loan obligations, or shared training costs, he said.

"Georgia's payments industry hub, which represents the lion's share of our fintech industry, will be lost if we are unable to innovate fast enough to meet the demands of a digital economy," Richards said. "Innovation on that scale is no easy task, especially when jobs are going unfilled because people do not know about the industry or are lured away to Silicon Valley, New York City, or growing tech clusters in Austin, [Texas] and Denver."

Incentives also could help attract corporate innovation centers to Georgia and grow the existing ones. The state's research institutions, such as Georgia Tech, and its entrepreneurial culture make it a magnet for R&D centers.

Georgia Rep. Ron Stephens, R-Savannah, said he's considering a different approach that would extend to the fintech industry the exemption from state sales taxes Georgia manufacturers enjoy. Stephens, co-chairman of the study committee, said data centers use a tremendous amount of electricity, power that many competing states don't tax.

"I want to put them on a level playing field with other states," he said.

Roy Bowen, president of the Georgia Association of Manufacturers, said eliminating the sales tax on energy has paid dividends for manufacturing companies.

"Look at the flooring companies that have in expanded in northwest Georgia," he said. "They will certainly point to the sales tax [exemption] on energy used in manufacturing as a factor."

Transaction Alley

By Tom Oder

Financial technology is a \$72-billion – and booming – industry in Georgia, with more than \$2 trillion in payment processing passing through the state. And it’s about to get bigger.

A CEO, a marketing manager and an entrepreneur walk into a bar. They won’t sit together because they’re in different cities, Boston, New Orleans and San Francisco. But when they swipe credit cards after drinks with colleagues, they’ll share something in common. Point-of-sale terminals will route their payments to the same place, companies in the financial technology sector (or FinTech for short) in Georgia.

FinTech firms, companies specializing in technology supporting the financial services industry, number approximately 100 in the Peach State, with about 90 in Metro Atlanta. Companies range from Fortune 500 bellwethers to startups and annually touch or enable more than 118 billion global payment transactions, support almost 4 million merchants, represent more than \$2 trillion in purchase volume, and account for 70 percent of the \$5.3 trillion in U.S. credit and debit card swipes, according to a 2016 report by the Technology Association of Georgia (TAG) and the Georgia Tech Scheller College of Business.

These statistics are only part of Georgia’s FinTech résumé. State firms generate 30,000-plus jobs and produce annual revenues of \$72 billion from global transactions, according to the TAG-Georgia Tech report. They also account for more than 60 percent of worldwide FinTech payments, companies, headquarters or significant operations, according to the Atlanta-based, Georgia-focused American Transaction Processors Coalition (ATPC). The bottom line: Georgia is the third-leading U.S. payment processing market, trailing only New York and California.

“FinTech is one of Georgia’s most important industries,” says Tino Mantella, TAG president and CEO. “I’ve always said that when people think about Georgia they think about these Ps: peaches, pecans, pine trees, poultry and peanuts. Now, they need to add processing and payments in terms of where we are strong.”

H. West Richards, ATPC executive director, put an interesting perspective on FinTech’s value to Georgia’s economy. “The annual revenue of FinTech companies in Georgia is at parity with the movie industry in Los Angeles. The payments industry in Georgia generates approximately \$30 to \$35 billion a year in revenues from U.S. transactions,” he says. “The film industry in L.A. generates about \$35 billion in revenues in the United States. The \$72 billion in Georgia’s global FinTech revenues approaches the approximately \$90 billion Hollywood generates in worldwide sales.”

Scott Meyerhoff, ATPC chair and COO/CFO of InComm, adds an exclamation point to the FinTech-Hollywood comparison. “The goal is to grow that \$72 billion to \$100 billion by 2020.”

“Transaction Alley” Georgia Trend Article Cont’d

Processors and a Unicorn

Card-processing firms are the most visible aspect of Georgia’s marquee FinTech industry. Six of the country’s top processors are located in the state: First Data, Bank of America Merchant Services (majority owned by First Data), Worldpay, Elavon, Global Payments (which now includes Heartland Payment Systems) and TSYS.

First Data, which sits in midrise offices at Georgia 400 and the Glenridge Connector in suburban Atlanta, is a global leader in commerce-enabling technology and solutions, serving approximately 6 million business locations and 4,000 financial institutions in 118 countries. “Folks are shocked,” says Barry McCarthy, executive vice president of network and security solutions at First Data, when he tells them that a company that processes 2,500 transactions a second – \$1.9 trillion annually – supports 28 percent of the world’s ecommerce “is based right here.”

Another of the leading companies, Elavon, is the No. 1 payments provider for airlines and a top five provider for hospitality, healthcare, retail and public sector/education and is celebrating its 25th anniversary in Atlanta this year.

“Initially, we set up here because this is where there was a concentration of people who already knew a lot about the ecosystem and what it takes to grow a business and serve customers,” says Brian Mahony, Elavon’s chief strategy officer.

The company committed to Atlanta through several stages of growth – the company now has more than 1 million business customers – for the same reasons that originally made Atlanta attractive, Mahony says. “It was a pretty easy choice because of the well-established ecosystem here and because it’s a pretty friendly business climate.”

Now, he sees a bright future for a FinTech ecosystem he says has grown into “a mix of mature, emerging and innovative enterprises. We think the road we’ve paved will continue to be a growth story for as far as we can see.”

Lara Hodgson, co-founder, president and CEO of NOWaccount, thinks there’s room for significant growth in a new direction in the payments space. “When we talk about payments in Georgia, what we’re really talking about is consumer payments,” says Hodgson. But not anymore. NOWaccount lets businesses get paid within days on invoices sent to other businesses or to the government. Business invoices go to NOWaccount, which immediately pays the invoice for a flat 2.5 percent fee. NOWaccount then invisibly invoices the business’s customer. “This new opportunity is 10 times the size of the consumer payments space,” she says.

FinTech is not only one of Georgia’s most important and forward-thinking industries, it’s also one with a unicorn in its midst. That unicorn – defined as a startup with a market valuation of \$1 billion or more – is Kabbage, which provides automated, online lending to small businesses. While the platform is new, co-founder Kathryn Petralia says “there is a misconception that FinTech is new. It’s certainly old to Georgia.” She mentions Equifax and TSYS in Columbus as companies with a long history in the state. “I think we’re just experiencing a resurgence, perhaps adding to what was already here with some new companies and some new technologies.”

“Transaction Alley” Georgia Trend Article Cont’d

Squarely in the Middle

One reason Georgia’s forward-thinking FinTech ecosystem has been successful in supporting legacy companies and spawning startups is that the business community has its back. One of the most active companies in supporting FinTech has been Worldpay, a global payments giant. In 2015, Worldpay made a \$1-million gift to Georgia Tech to create a FinTech program that would nurture and develop companies in Georgia at the Advanced Technology Development Center (ATDC).

ATDC is a technology incubator that works with 800 tech entrepreneurs each year statewide from its headquarters on Tech’s Midtown Atlanta campus at Tech Square.

“We’re trying to help the disruptors disrupt the FinTech community,” says Joe Kleinwaechter, Worldpay’s vice president of innovation and design. “What’s really fascinating to me is how much we’ve gotten out of the relationship in terms of learning how these startups are changing the world and how our business model needs to change to support them. It used to be that the banks controlled how money moved, lending occurred and businesses transacted financial terms. This has opened up, and now startups everywhere are developing FinTech apps” that do these things.

“We touch entrepreneurs who are working in about 20 FinTech subgroups,” says Michelangelo Ho, who heads ATDC’s FinTech Accelerator. “The goal of the program is to accelerate the time it takes FinTech entrepreneurs to get to market. We do that by providing coaching and introductions to companies, their CEOs and our partners. We see ourselves as the catalyst at the intersection of startups, corporations and investors in FinTech.”

That intersection has proven to be fertile ground for FinTech companies. Located just across the Downtown Connector from the main Georgia Tech campus in Midtown Atlanta and linked to it with a pedestrian-friendly bridge, ATDC provides prime access to Georgia Tech’s resources, including its student talent. As a result, it has been a magnet in attracting Fortune 500 firms such as NCR to the area as well as helping to launch promising new startups such as GROUND FLOOR, the only real estate lending marketplace open to non-accredited investors.

GROUND FLOOR moved from Raleigh, N.C., to Atlanta in 2013 because of a Georgia law that created a statewide customer base and also made it possible to pilot its product here, says Brian Dally, co-founder and CEO. That law was the Invest Georgia Exemption, which makes it legal for for-profit businesses in Georgia to raise up to \$5 million from in-state resident investors.

“At first we shared space in town,” says Dally. “But the more we found out about ATDC, specifically the entrepreneurs in residence, office space, access to Georgia Tech and the Midtown location, those became the key factors that led us to apply to become a signature company at ATDC.”

The move resulted in GROUND FLOOR becoming an ATDC success story. “What may surprise some is how healthy the startup ecosystem is here,” says Dally. “It is possible not only to relocate a financial technology company here and do well but also to start from scratch and innovate here. That’s due to programs like ATDC and others that have been built here. It’s never been a better time to start a company in Atlanta, especially in FinTech.”

To help Georgians adjust skills to meet the demand for jobs forecasted at innovative companies such as GROUND FLOOR, the University System of Georgia is providing an academic-business partnership between FinTech employers and the system’s eCampus. The effort is in response to the High Demand Career Initiative Gov. Nathan Deal launched in 2014.

“Eight months ago, there were no FinTech degrees in the state,” says Art Recesso, eCampus chief information officer. “We have fixed that. This summer we developed two degrees, an A.S. in FinTech launched this fall and a B.S. with a FinTech concentration that has also launched,” says Recesso. Middle Georgia State University is providing these initial courses through distance learning. “A BBA [Bachelor of Business Administration] will launch in spring 2017, and a B.S. in cybersecurity will launch in the fall of 2017. All are designed based on what we hear from employers.”

“Transaction Alley” *Georgia Trend* Article Cont’d

Next-gen Investing

“The industry is so important to the region that the Metro Atlanta Chamber [MAC], ATPC and TAG created a FinTech task force to not only support the existing ecosystem, but also to attract and grow new jobs and investment, ensure a skilled workforce is ready for decades to come and promote continued innovation that will help shape the future of the industry,” says David Hartnett, MAC’s chief economic development officer.

The task force adopted the name FinTech Atlanta and has given Metro Atlanta the nickname “Transaction Alley” because of the region’s large number of FinTech firms and the visibility of card processors among those firms. Its mission is simple but bold: Establish Georgia as the global center of the industry.

“The FinTech task force is now the state’s economic development platform for this industry,” Richards says. “It is probably the largest industry-led economic development initiative in Georgia.”

“I’m really proud of the progress we’ve made in a short time,” says First Data’s McCarthy, who is also the task force chairman. To put that progress in perspective, he notes that the group has begun raising funds to create a staff, has established working groups to accomplish its mission and has attracted high-profile political leaders to its meetings.

“This isn’t just a novelty,” he says about FinTech Atlanta and the FinTech industry. “It’s really central and core to the Georgia economy.”

Atlanta Boldly Claims Global FinTech Lead Status

By Tom Groenfeldt

New York and London may be global financial services leaders, but Atlanta is the unsung — so far — leader in financial technology, fintech.

“Over a period of time when no one was paying attention, this crazy thing was happening. Metro Atlanta, and Georgia in total, has become the fintech capital of the world,” said Barry McCarthy, executive vice president and head of network and security solutions at First Data and chair of FinTech Atlanta. The nonprofit organization was formed in 2015 to develop Atlanta as the recognized global capital of the FinTech industry.

“Through the FinTech Atlanta initiative, I am confident Atlanta will become the recognized global home of FinTech by 2020, just as New York and London are the recognized headquarters of finance.”

He’s not talking about retail banks, investment banks or venture capital firms — those are financial institutions — but fintech companies.

“There are more fintech companies here than anywhere in the world.”

Certainly the city has a lot of big players, especially in payments. McCarthy estimates that 70 percent of all transactions on a global scale pass through companies headquartered in metro Atlanta. City promoters have dubbed it Transaction Alley in reference to payment processing leaders like First Data, WorldPay, Global Payments and TSYS. They’re a reason that Georgia ranks third in number of people attending Money2020, behind California and New York, despite having a much smaller population.

Although the two general purpose fintech giants, FIS and Fiserv, aren’t headquartered in Atlanta, they have large offices there. The Alliance also includes non financial players who have large IT operations, such as AT&T Mobile, The Home Depot, Coca Cola and UPS.

“They’re making internal investments in fintech and developing customer solutions for their environment,” said McCarthy. “They understand the importance of fintech in their own businesses and consider themselves a part of the fintech ecosystem.”

The fintech companies range from long-established players such as First Data, Global Payment and NCR to aggressive newcomers like Kabbage, which specializes in small business lending, BitPay, a leader in bitcoin payments; Acculynk, a payments solutions provider; and Groundfloor, a real estate crowd-funding company.

“There are over 100 fintech firms headquartered here,” McCarthy said.

FinTech Atlanta was formed to promote Atlanta globally as a fintech leader, work with the state to make Georgia friendly to fintech, work with universities to educate fintech talent and encourage more venture capital, a weak spot in the city’s effort to grow its fintech business. Kabbage, for example, had to go to the West Coast to find financing. One tech veteran told a local publication that the banks don’t have people who understand technology — they are oriented to real estate lending. One advantage — state law makes it relatively easy for a new company to sell shares to family and friends.

The University of Georgia has recently approved a business degree with a focus on fintech he said, and students have a wide choice of university programs and certification programs that can help them get fintech jobs. More skilled people are needed — for every fintech job in the metro Atlanta areas there are another 3 or 4 positions open, he said.

Atlanta is promoting itself to the UK and the City in particular, and to the Republic of Ireland and Israel, he added.

He noted that a UK company, truRating, recently chose Atlanta for its North American headquarters and its CEO, Georgina Nelson, has relocated there, in part to be close to payments companies. TruRating offers a way for consumers to rate a company from 0 to 9 when they make a purchase. Nelson says that less than 1% of consumers rate companies they buy from. By coupling the rating with a transaction, truRating ensures that the person providing a review is a real customer.

The company’s ranks in the UK area about evenly divided between men and women, but in the US so far only 1 in 55 applicants has been female, Nelson said.

Atlanta offers a pleasant climate, reasonable cost of living, and the world’s busiest airport which has direct links to cities around the world and places 80 percent of the US population within two hour flight.

George Tech’s Advanced Technology Development Center (ATDC), founded in 1981, is a startup incubator that works with 325 companies a year and says that more than 90 percent of its graduates are successful five years after completing the program.

P20

The ATPC spent the second half of 2016 laying the foundation for a new international partnership called P20. The team of Robert Green and Roth Kehoe from Holland & Knight made multiple trips to London with West Richards to evaluate the interest in a unique payments leadership summit. These trips led to the idea for an organization based in London and Atlanta that would convene 20 of the most influential leaders in the payments industry and top United Kingdom (UK) and United States (US) government officials and regulators annually to: highlight the importance of payments and Financial Technology (FinTech) to the world economy; the vital role played by London and Atlanta; and provide a long-term opportunity for a Transatlantic partnership intended to promote growth of the industry globally through improved regulatory frameworks, economic development, innovation, financial inclusion and overall cooperation.

The P20 is a direct response to the ever-increasing need for greater regulatory clarity, consumer security, and innovation collaboration as it applies to the payments industry and related aspects of FinTech. The P20 will serve as a forum for thought leadership and action, along with best practices across many areas including regulatory and compliance frameworks, and pressing issues like cybersecurity, innovation and how FinTech can achieve greater financial inclusion for people in developing economies around the world. At press time, the group was deciding on the format and dates for the first annual meeting, which will ultimately rotate between London and Atlanta.

“The P20 is the latest platform intended to provide greater access to talent, technology and business opportunities for Atlanta’s Transaction Alley companies, and this process would not have gotten off the ground without the help of one of the ATPC’s founding sponsors, Holland & Knight, LLP,” said ATPC Executive Director, H. West Richards. “The unified support for P20 from Georgia’s political leaders will ensure that both the public and private sectors are pulling in the same direction as we collaborate with new partners in London on critical issues for our industry, the economy and global payments best practices.”

The P20 mission charter is being crafted to address the improvement of regulation, innovation, cybersecurity, education and financial inclusion on a global scale.

London and Atlanta were chosen because of their prominent roles in both finance and payments. London is the financial services capital of the world and dominates payments in Europe. And it boasts nearly 40,000 Financial Services companies employing more than 60,000 workers in the Fintech sector alone; a large portion of which support the payments industry. Atlanta is the payments capital of the U.S., processing 75 percent of \$7.4 trillion in annual payments while employing the lion’s share of the FinTech workforce of nearly 40,000.

Highlighting both London’s and Atlanta’s success in payments will help to further burnish London as the continued definitive financial capital of the world, and Atlanta as the payments capital of the U.S. Collaborating will promote policies and economic development opportunities that provide honest, secure and reliable payments to the rest of the world – a vital step in helping to lift many places in the world out of poverty. The P20 will serve to open a vital and expandable London/Atlanta Transatlantic corridor that will provide numerous collateral benefits to both cities and nations.

P20 will help drive future growth: payments processors on both sides of the Atlantic have grown by 10X in the last 15 years, working together to carry payments to the rest of the world presents a clear opportunity to grow the industries by 20X or 30X, inuring to the benefit of both citizens and shareholders.

2017 Calendar of Events

- U.S. Congress convenes – January 3, 2017
- Georgia 2017 legislative session begins – January 9, 2017
- Presidential inauguration – January 20, 2017
- TAG FinTech Symposium 2017 – February 9, 2017 at Renaissance Atlanta Waverly Hotel, Atlanta, Ga.
- Georgia 2017 legislative session sine die (approximately) – March 24, 2017
- ATPC Q1/Q2 Board of Directors meeting and reception – April 4, 2017 at Merchant e-Solutions, Atlanta, Ga.
- Transaction Alley Cyber Forum – May 22, 2017 at Federal Reserve Bank of Atlanta, Atlanta, Ga.
- ATPC Q3 Board of Directors meeting and reception – September 13, 2017 at Holland & Knight, Washington, D.C.
- ATPC 2017 Capitol Hill Fly-In – September 14, 2017 on Capitol Hill, Washington, D.C.
- Inaugural P20 Conference – October 9 – 10, 2017 in London, United Kingdom
- Money 20/20 2017 Conference – October 22 – 25, 2017 at The Venetian, Las Vegas, Nev.
- ATPC Q4 ATPC Board of Directors meeting and reception – December 4, 2017 at location TBD, Atlanta, Ga.

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AMERICAN TRANSACTION PROCESSORS COALITION

H. West Richards, Executive Director
west@atpcoalition.org
(404)583-2838
www.atpcoalition.org

1180 West Peachtree Street NW
18th Floor
Atlanta, GA 30309

800 17th Street NW
11th Floor
Washington, D.C. 20006