



Legal Counsel to Great Companies

Recent Technological Developments in Payments

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What is going on out there now?!

- More acceptance channels
 - Square
 - GoPayment
 - PAYware
- Apps
 - Fig Card (now eBay/PayPal)
- Gimmicks
 - Bumping phones
 - Stickers

Square

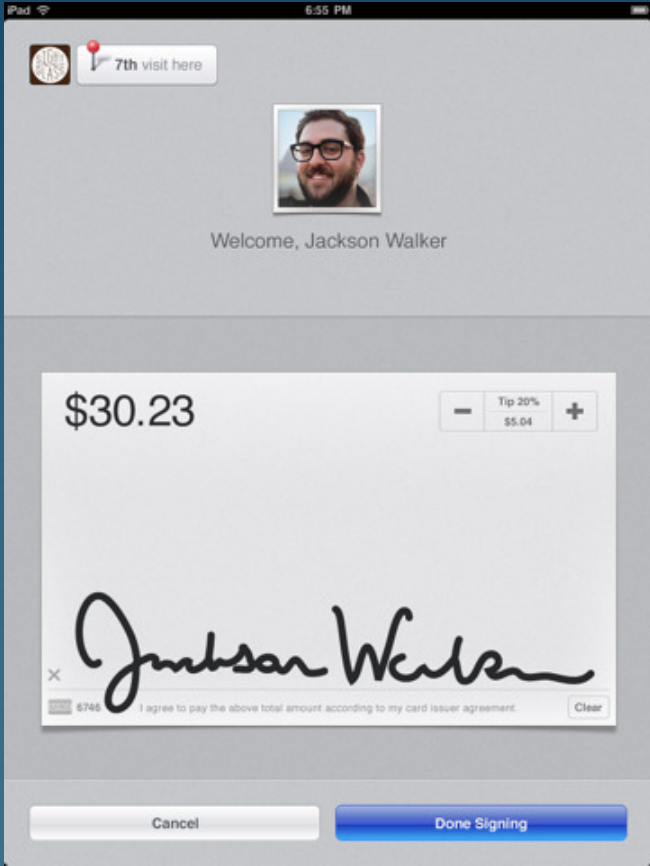
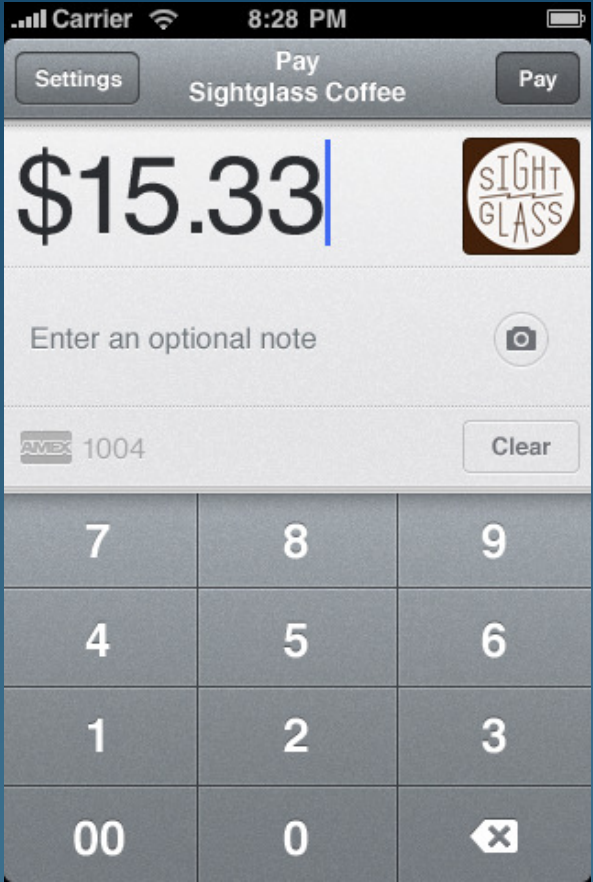
- It is a hip little thing that turns everyone into a merchant. And its founder is hip too!



The Square "Dongle"



The process



Square Numbers

- Card Readers shipped - 341,688
- Activated users - 332,483
- Daily Volume on 3/2 - 1,000,000
- Daily Volume on 4/29 - 2,000,000
- Transaction fees - 2.7%
- No credit check
- Square assumes all c/b and fraud risk

Other Contenders

- GoPayment from Intuit. Slightly less hip, but provides same service.



- PAYware Mobile from Verifone. Looks more like a part of your phone.



Apps

- Fig Card
 - Allows customers to pay with smart phone and not a card.
 - No card information shared with merchant
 - Picture of customer shown to verify ID
 - Faster than cards or cash (so they say)
 - Free USB hardware for merchants
 - Just purchased by PayPal

You gotta have a Gimmick

- Bump – Paypal and ING Direct customers can now transfer payments to friends with the bump of a cellphone - no cards needed.



No Card Needed

- Stickers – NFC stickers on phones (like Bling)
- Random numbers – One-time use, No PII (OpenCuro)
- Cash – Pay with cash online? PayNearMe makes 7-11 stores your payment channel for online goods.



Thank you

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