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BANKCARD TODAY



2008 ACQUIRERS REPORT

ISO STANDOUTS



G SQ asked 15 leading ISOs to respond to questionnaires for this report. The following is an alphabetical list of companies that responded, along with a brief description of each. Some consider themselves to be not only ISOs, but acquirers, too.

Electronic Payments Inc.

EPI traces its roots to a dorm room at Boston College. That's where Michael Nardy formed the company in 2000. Three years later, EPI signed its first full-liability bank deal and was on the way to making a name for itself.

Nardy's enterprise has since grown to include 26 direct employees in three states and relationships with approximately 500 merchant level salespeople (MLSs) and telemarketing personnel working out of about 400 offices. And it has earned bragging rights as one of America's fastest-growing private companies. Earlier this year, EPI ranked 81st on *Inc.* magazine's prestigious Inc. 500.

"By my standards, EPI is an acquirer as we own our merchant agreements and have a unique BIN/ICA assigned for our exclusive use," Nardy wrote in response to our questionnaire. "The front-ends we have access to are Paymentech, FDR-North, Omaha and Nashville, Buypass, and TSYS. Our common back-end is FDR-Omaha," he added.

EPI processes for roughly 10,000 merchant locations. "We're very strong in fuel, and our low transaction cost and zero BIN fees help ISOs bring on that business," Nardy said. Despite being strong in the fuel sector, EPI still offers programs similar to many other ISOs in the marketplace, he added.

The company also handles small ticket, quick service restaurant, e-commerce and mom-and-pop retail shop transactions. In addition, it has offered bonuses and "free" equipment programs since 2004 and has just released an in-house front-end for its gift card application.

Last year, EPI had \$5.5 million in revenues; this year revenues are up 300 percent, according to Nardy.

Bank-branded acquirers capture two-thirds of U.S. market



Source: Mercator Advisory Group