ISSUE 32 | Fall 2015

Inside this issue . . .

Contact Map at:

16000 Christensen Road, Ste 200
Tukwila, Washington 98188

Phone: 1.866.598.0698
Fax: 206.439.0045
Email: info@mapacific.com

www.mapacific.com

America's slow switch to EMV:

Still swiping after all these years

The EMV-liability shift is a monumental change in both the payments and financial industries. Many Americans have already received their EMV chip cards in the mail, effectively enhancing their protection against point-of-sale (POS) and ATM fraud. However, with the transition to EMV cards, retailers have likewise had to modify their POS systems and terminals to accommodate the new cards, and such a change has not gone smoothly for some businesses.

NBC News reported that small businesses in particular have faced budgetary concerns and a steep learning curve when it comes to installing new technology. As a result, many are falling behind in their EMV capabilities.

Many retailers are still relying on the swipe-and-sign method of payment, whereby customers are required to sign receipts to complete transactions. EMV technology secures payments more effectively than magnetic stripe. Converting cards from the magnetic stripe to chip and PIN or chip and signature drastically decreases card-present fraud. For example, the UK saw a 32.5% reduction in fraud from 2004 to 2011 after the introduction of chip-based cards, according to CNBC. Losses tied to counterfeit cards are expected to hit a record $3.6 billion this year, estimates Aite Group, from $1.7 billion in 2011. The U.S. is looking to duplicate the UK's success, but getting support from the business community on board has been a challenge thus far.

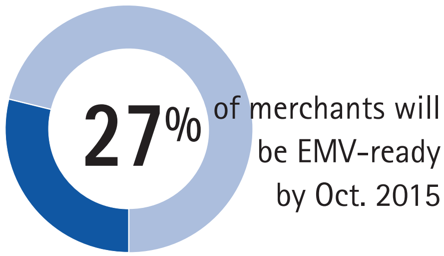
A recent Wells Fargo/Gallup poll revealed that 68% of small business owners are unaware of

See EMV on next page

EMV

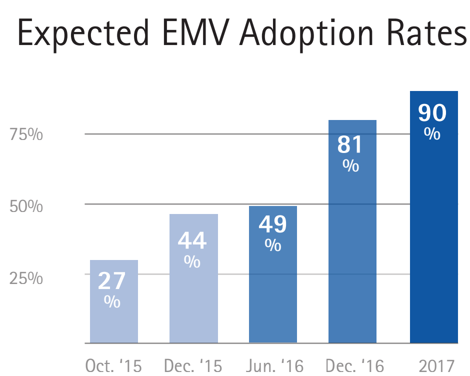
Continued from page 1

the looming EMV liability deadline.



Though businesses as a whole have anticipated the October transition for some time, many have been putting EMV on the back burner. In fact, a survey from Randstad Technologies found that 42 percent of IT decision makers have yet to make any progress or even take steps toward progress regarding EMV. Another 58 percent stated they don't believe the EMV liability shift will affect their companies very much.

It is also becoming increasingly clear that financial institutions aren't as ready as they should be. Only 25% of US debit cards – approximately 71 million cards – will be converted to chip cards by the end of the year, according to the PULSE 2015 Debit Issuer Study. Those percentages will rise in 2016, but it's unlikely that the debit rollout will be fully completed until late 2017, according to the study.



Financial institutions are upgrading debit cards to protect themselves from breaches – not because upgrading is profitable. Chip card upgrades are heavy investments that don't directly translate to increased revenue. However, the upgrades ultimately protect them from costly card-based data breaches – an event every financial institution in the survey experienced last year.

The PULSE study cites two key reasons as to why FIs are migrating more slowly than expected:

Cost: Chip cards cost banks $2.17 to $2.90 per card, nearly double the cost of magnetic stripe cards. This will cost banks an additional $266 million by the end of the migration period.

Logistics: FIs can't reissue every debit card at once, so most are converting cards in waves. Many are focusing first on expired cards, heavy card users, and international travelers.

As an industry, issuers, acquirers, and their processors continue to be unsure of the state of the U.S. EMV migration and continue to provide data points that suggest this exercise will take considerably more time to reach its conclusion.

People are starting to receive chip cards from their card issuers. The Smart Card Alliance, comprised of Visa, MasterCard, Amex, and Discover, reported that more than 200 million chip cards have been issued ahead of EMV liability shift, according to Reuters. The Alliance expects to have issued 600 million cards by the end of the year, meaning that at best, only half of all cards will be upgraded by the end of this year.

Most of the industry is in agreement that EMV will not solve all payment issues. Chip cards are not better at protecting individuals against card-not-present (CNP) fraud, says Robert Harrow, a research analyst with Value Penguin. "This is the type of fraud that occurs when thieves use the card online, or in other ways where they are not required to present the physical card to a merchant – instead simply giving the card number and its security code. CNP fraud is on the rise globally, including the U.S. Unfortunately, this new technology doesn't do anything to combat it."

And there will be a lot of money spent along the migration path. Mostly, experts are confident that the transition to chip cards, "will choke a lot of life out of card fraudsters," says security expert Robert Siciliano. But it won't come cheap; the transition is expected to cost about $8 billion, if done correctly, he says. And, "the roll-out phase" won't happen overnight either."

The switch-over won't solve all payment fraud. In the U.K., losses due to counterfeit cards fell by 56% between 2005 and 2013, after chip-enabled cards were rolled out, according to Aite Group, but online fraud jumped by 64%. Payment industry officials say they also are trying to prevent a run up in online fraud with new security measures such as tokenization, in which card numbers are turned into unique digital codes. "There are now more solutions to identify and detect online fraud," said Stephanie Ericksen, a vice president of Global Risk at Visa.

For more information about EMV and MAP's Card Manufacturing and Personalization solutions, please contact Kent Kovack, kent.kovack@mapacific.com, 866-598-0689, x1628.

Ingo Money: Remote Check Deposit (RDC) without the risk.

In the U.S. in 2013 around $4.7 trillion in checks were issued to consumers, a staggering figure nearly $1 trillion higher than all U.S. card payments combined. Further, the Federal Reserve estimated that around 20% of checks paid entered depositary banks as electronic images sent using remote capture devices last year in the U.S.

Estimates are that 44 million consumers used mobile capture in 2014, up from 20 million in 2013. This is out of approximately 160 million banked consumers. Remote deposit capture (RDC) is considered to be the most important development by the Federal Reserve in the U.S. Remote deposit capture refers to the ability to deposit a check into a bank account from a remote location without having to physically deliver it to the bank. This is achieved by scanning a digital image of the check and then transmitting it to the bank, a practice that became legal in the United States in 2004 when the Check Clearing for the 21st Century Act (or Check 21 Act) took effect. Benefits of the service include convenience, better deposit availability, and reduced transportation cost and risk.

A majority of the financial institutions in the US currently offer RDC services in one form or the other. By the end of 2013, there were more than 1,300 FIs offering RDC services, while the number at the end of 2014 reached 2,900. It is estimated that, by the end of this year, more than 5,000 of the 7,000 financial institutions in the US will have an RDC solution in place. Likewise, the number of users using remote deposit capture has skyrocketed from less than 1 million in 2010 to more than 40 million in 2014.

Ingo Money – The Good Funds Network is the first mobile remote deposit network (originally for prepaid cards) that gives consumers access to money in minutes from any type of check from a mobile phone. Consumers can now download a mobile application, enroll in Ingo, load their eligible cards into the wallet and push any approved check to their cards in days for free or in minutes for a fee. For financial institutions, Ingo Money supports technology integration via API, SDK, Web POS and multiple third-party processing systems, and has certified several hardware and scanner platforms to integrate seamlessly and accelerate speed-to-market.

For more information about InGo Money and MAP's Mobile Payment solutions, please contact Kent Kovack, kent.kovack@mapacific.com, 866-598-0689, x1628.

Industry News

RDC use grows as check use declines. One in seven Americans have deposited a check using a mobile device in the past 12 months, according to a survey from the American Bankers Association (ABA), up from one in eight last year While the survey found an uptick in the total number of Americans who have used mobile deposit, a full 82 percent said they had never deposited a check by taking a photo on their smartphone. ABA reports people are receiving checks less frequently, but when they do, they are increasingly turning to mobile banking to deposit them.

Virtual cards could disrupt B2B payments. Virtual cards could serve as a catalyst for card adoption in commercial and business-to-business (B2B) payments, according to a new report by Deutsche Bank. Virtual cards could double U.S. purchase volume to $160 billion by 2018 (reaching above $500 billion by 2024) from $83 billion in 2015. A virtual card is a credit, debit or prepaid virtual card (a physical card does not exist) and can be automatically generated online with a unique 16-digit number and can even be used for one-time use. The account number stays active for a pre-determined time period and can be used for online, phone, fax and mail purchases. In the report published by Deutsche Bank, Virtual cards could improve cash flow for the receiving party while providing cash rewards to the payers. In addition, virtual cards have seen improvements in operational efficiency, security and lower fraud usage.

FIs' Certified as Class Members in Target Breach Suit. The U.S. District Court, District of Minnesota has granted class-action status in the lawsuit against Target related to its massive data breach during the winter holiday shopping season in 2013. Now that the court has certified the financial institution class, financial institutions will be allowed to seek damages together, rather than individually. As reported earlier, it allows the financial institutions to coordinate the use of attorneys, collection of evidence, requests of witnesses and most other aspects of the litigation. The 2013 Target breach was huge, reportedly comprising 40 million debit and credit card numbers, as well as the personal data of as many as 70 million consumers. Credit unions have incurred $30.6 million in costs related to the breach, not including any fraud costs.

Continued on page 9

More credit card accounts opened as market grows

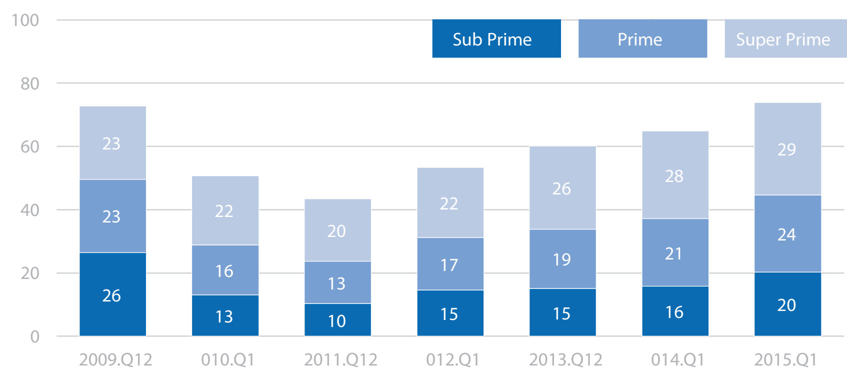
The number of credit card accounts continued its steady rise in the first quarter with new accounts across all risk categories growing 14 percent over the same period a year ago, according to the Credit Card Market Monitor report released by the ABA.

Reflecting data from the first quarter of 2015, the report found that the total number of accounts also continued to grow in all three risk categories (sub-prime, prime and super-prime), with the industry's total of 314 million credit card accounts ranking as the highest reading since late 2008. While this growth has been driven by prime and super-prime accounts, the number of sub-prime accounts reached 60 million for the first time in over three years.

The report finds that, by offering lower initial credit lines that can increase over time with a good payment record, card issuers have responsibly expanded access to credit cards in a manner that benefits both consumers and the broader economy. The ABA report also found that consumers continue to take a disciplined approach to credit card use. While outstanding credit card credit as a share of disposable income ticked up 0.1 percent, it remains near historic lows. In addition, the distribution of accounts remained virtually unchanged. The share of revolvers held steady at 42.3 percent, dormant accounts grew by 0.3 percent to 28.8 percent and the number of transactors (who pay off their balance in full each month) fell 0.3 percent to 28.9 percent of all accounts.

Number of New Accounts* (Millions)

In Q1 2015, new account volume was up 14 percent from a year prior, driven by 28 percent jump in new sub-prime accounts.



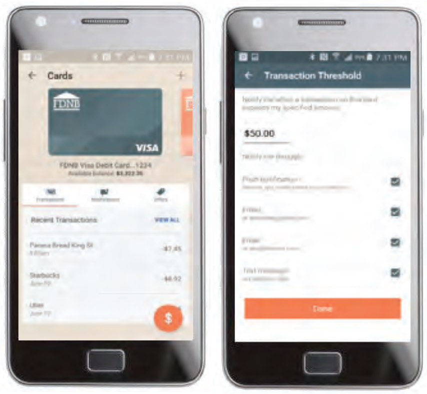
Source: Argus Information & Advisory Services LLC.

As the economy improves and consumers are better able to meet their obligations, the risk associated with lending to any particular category falls. While consumers' appetite for credit has steadily increased as the economy stabilizes, they remain laser focused on keeping debt at manageable levels and making sure their accounts are in good standing.

The report found that monthly purchase volumes declined roughly 8 percent across all three risk categories due to a combination of weak economic growth in the first quarter and normal seasonal purchasing patterns. The U.S. economy grew at just 0.6 percent in the first three months of the year — a deceleration largely due to harsh winter weather, a strong dollar and port strikes on the West Coast — while monthly payrolls in the first quarter leveled off to slightly under 200,000 per month. Average credit lines for all accounts also fell across the board, including a 2.1 percent decline among sub-prime accounts. However, credit lines ticked up 0.1 percent and 0.5 percent for new prime and super-prime accounts, respectively, and the number of both new accounts and total accounts increased to levels not seen since the end of 2008.

The report concluded that the weak economic conditions in the first quarter likely exacerbated the normal decline in credit card activity that occurs after the holiday shopping season. First-quarter declines due to these types of seasonal and one-off economic factors are not unusual. Credit card markets should expand as the labor market tightens and gas prices continue to fall, which should drive up wages and spur consumer spending.

Visa to require cardholder mobile alerts by Oct. 2016



In September, Visa announced that all U.S. issuers will need to provide cardholders with an option to enroll in transaction alerts by October 14, 2016.

MAP offers two solutions that can be used to meet the new requirement: CardControl from Ondot and Visa Digital Card Services.

Visa Digital Card Services is a modular offering that allows issuers to tailor services based on their specific consumer and market needs. Issuers and cardholders can choose to enable one or more alerts on various types of card activity, including when purchases are made over a specified dollar amount, card-not-present transactions, international transactions, ATM cash withdrawals and more. Issuers will be able to offer additional card-based features to members, including upcoming, planned optional features, including Android HCE / CBP proximity payments, Visa mobile location confirmation, portfolio optimization campaign delivery, and payment controls (card on/off).

CardControl from Ondot empowers consumers to control payment cards from mobile phones. Consumers can set control preferences to match the desired usage profile for their own cards as well as their dependents' cards, and change it instantly when needed, all with a touch on a smartphone app:

- Switch cards on and off instantly.
- Correlate mobile phone and transaction location.
- Choose specific categories of merchants, depending on expected card usage.
- Customize specific types of transactions, depending on expected card usage.

CardControl works for all types of payment cards – debit, credit, and pre-paid – and all payment methods – in-store, online, and auto-pay. Financial Institutions can add CardControl to existing cards without having to reissue new cards.

For more information about MAP's Mobile Payment solutions, please contact Kent Kovack, kent.kovack@mapacific.com, 866-598-0689, x1628.

Visa News

Visa and Stripe Partner to Expand Online Commerce Globally. Visa has made a strategic investment in Stripe, the provider of a service called Stripe Relay that enables its retail partners to integrate buy buttons into apps. For example, one of its clients, Warby Parker, now has a buy button accompanying a native ad for one of its products in the Twitter app. With Relay, customers can complete the entire purchase within a single app. This reduces friction associated with traditional mobile app payments that often redirect customers to a mobile website. This user-friendly platform could induce higher conversion rates, which would lead to higher sales for merchants. Stripe will also be one of the first beta partners to connect to Visa's network capabilities via APIs and SDKs, offering their developer community access to payment and risk management services.

Visa Checkout Expands again. Visa Checkout, the online check out service that allows shoppers to pay with their cards online and on any device with just a few clicks has announced the addition of no less than thirty-three new merchants, including the following in the United States: Best Buy, Barnes & Noble, Barnes & Noble College, Cle de Peau Beaute, delivery.com, EllenShop.com, JustFab, LivingSocial, Shiseido, ShoeDazzle, Shutterfly, Sport Chalet Mobile, StudentUniverse, Under Armour, Taco Bell, Title Nine and Zulily.

Oxfam teams up with Visa for disaster relief. Visa and Oxfam piloted a program in the Philippines to distribute aid efficiently and safely, even before disaster struck, with Visa prepaid cards. Giving cash to victims presents logistical headaches and security risks according to Oxfam, which instead wants to provide prepaid cards that are loaded with a fixed amount that can be withdrawn from ATMs and partner remittance centers and used for over-the-counter purchases at local merchants and for purchases through

Continued on page 9

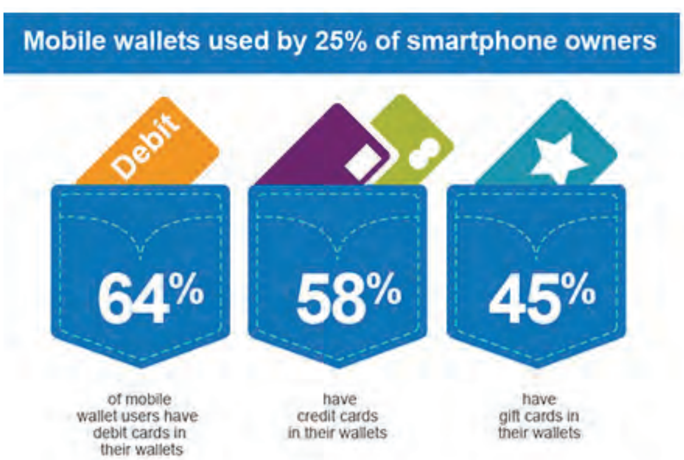
Mobile wallets versus everything else.

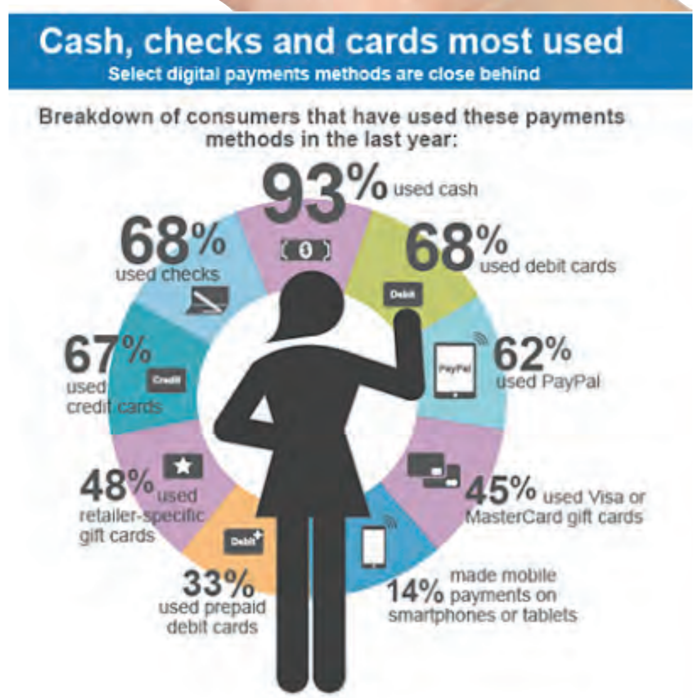
In a recent study conducted by Blackhawk Network, "How America Pays in 2015: Traditional, Digital and Mobile Convergence in Payments," results show that even though mobile wallets are now used by 25% of smartphone owners, traditional payment methods still rank higher amongst shoppers. Key among the findings was that cash, checks, and cards are still the most used payment methods with select digital offerings close behind.

Shoppers used the following payment methods over the last year:

- 93% used cash
- 68% used debit cards
- 68% used checks
- 67% used credit cards
- 62% used PayPal
- 48% used retailer gift cards
- 45% used Visa or MasterCard gift cards
- 33% used prepaid debit cards
- 14% made mobile payments on smartphones or tablets

Mobile wallets are now used by 25% of smartphone owners, with 64% of users have loaded debit cards on their mobile wallets, 58% have credit cards and 45% are using gift cards.





The report showed that new payment methods are growing, cash and checks are declining while 68% of mobile payment users report that they are using the alternative payment methods more often than last year. Cash and checks saw the greatest declines in use overall.

Gift card use continues to grow in popularity, with 87% of consumers surveyed stating that merchant-specific gift cards are convenient to use with 82% preferring prepaid debit cards. Additionally, gift cards are now mainstream payment methods, with almost half of consumers (48%) using them in the last year.

The report concluded that cash and cards are considered the most convenient payment methods, while checks and bitcoin are rated the least convenient. When asked to select the most convenient payment methods, consumers selected cash (93%), credit cards (92%), PayPal (90%), and retailer-specific gift cards (87%). Ranking most inconvenient were bitcoin and checks.

Debit Card usage continues to outpace all others

Debit card usage has steadily climbed in the US over the past ten years, while debit interchange fees have declined during this time, according to the PULSE Network's annual survey.

Debit transactions became more commonplace than credit ten years ago, and they now occur nearly twice as often as credit transactions. There are now 50 billion debit transactions annually in the US. And there were 21.2 monthly debit transactions at the point of sale per active card in 2014, compared to 16.1 in 2005. Consumers are also upping their debit-based spending. The average debit card was used to make $9,291 in purchases in 2014, compared to $7,807 in 2005, representing a 19% increase.

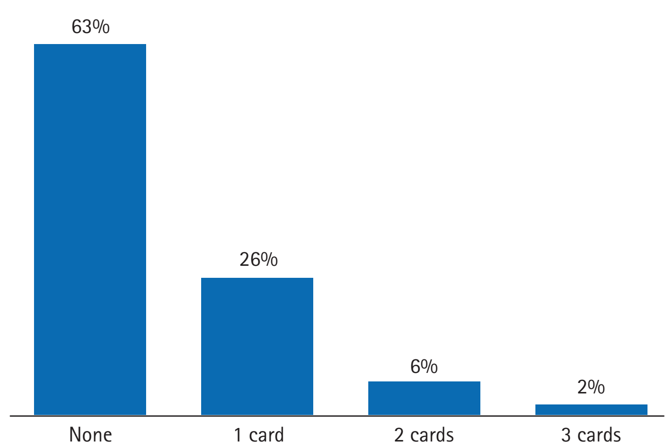
Although consumers prefer debit, the economics of the debit business have deteriorated for big banks. Large debit card issuers don't earn as much revenue from debit transactions. Debit interchange fees – a fee that issuers charge merchant acquirers per transaction – have fallen significantly over the past 10 years for big banks. Issuers with over $10 billion in assets are subject to the Durbin Amendment, which caps the interchange fees issuers can charge acquirers. As a result, regulated issuers earned only $0.24 per transaction in 2014, compared to $0.41 ten years ago. Meanwhile, firms that are exempt from the Amendment – those with under $10 billion – earned a healthy $0.40 per transaction last year. This means larger issuers also earn less revenue per debit card, about $59 annually per debit card, compared to $112 for exempt banks and credit unions.

The study reveals that debit remains a key source of non-interest income for both regulated and exempt financial institutions at the current interchange rates and card usage levels.

Debit should continue to grow in popularity, which will stabilize the debit business. Consumers, particularly Millennials, are shying away from holding credit cards and are instead gravitating towards prepaid and debit cards, which are not debt-based. For instance, an August 2014 Bankrate survey showed that almost two-thirds of US Millennials didn't own any credit cards. As long as the trend toward debit continues, issuers of all types will generate a significant share of their non-interest revenues from debit cards, even if interchange fees are tilted against their favor.

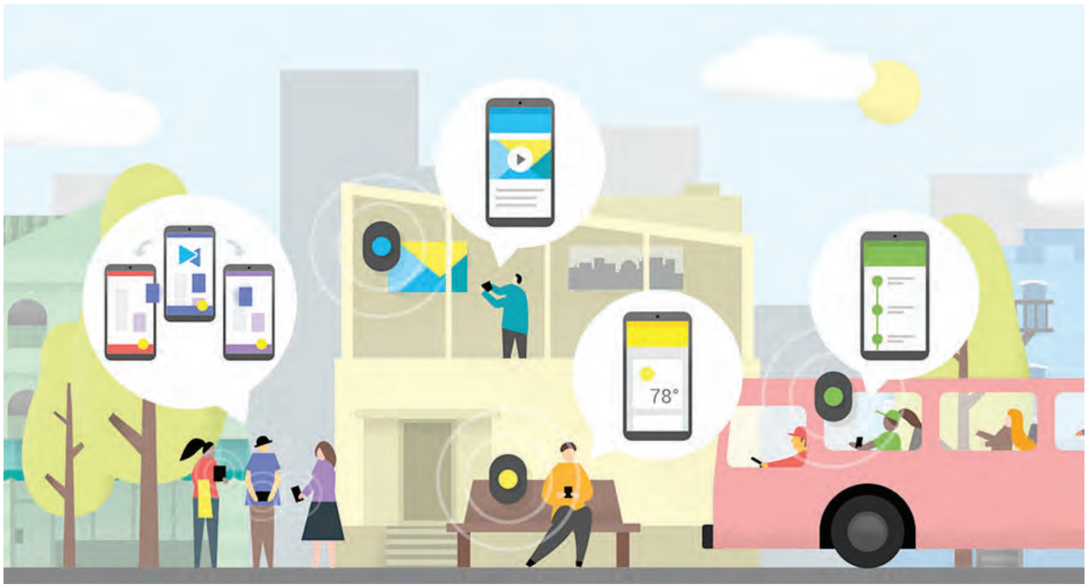
Number of Major Credit Cards Owned

US - Millennials Age 18-29



For the first time, the study collected information on the rate at which financial institutions acquire new account holders as well as lose existing ones, since both influence the total debit card base. Approximately one in five U.S. account holders switches financial institutions each year. In aggregate, the U.S. banking industry issues 165 million new debit cards per year. The mass reissuance for data breaches and cards for new customers are the two largest drivers of this demand.

Are you ready for Beacons?

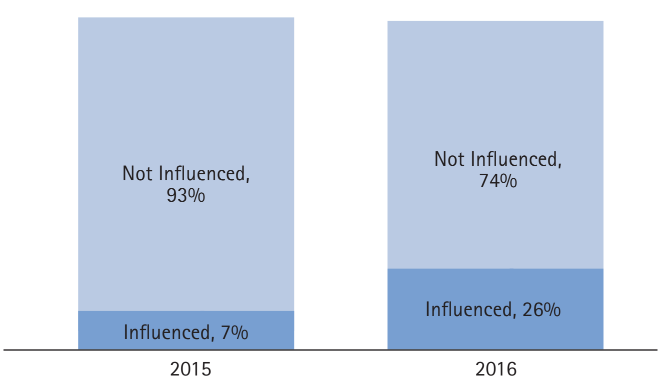


Today, we spend a lot of our time with our smartphones, and most of that time is spent indoors. But indoor spaces often block cell signals and make it nearly impossible to locate devices via GPS. Beacons provide a solution.

Beacons are a low-cost piece of hardware — small enough to attach to a wall or countertop — that use battery-friendly, low-energy Bluetooth connections to transmit messages or prompts directly to a smartphone or tablet. They are poised to transform how retailers, event organizers, transit systems, enterprises, and educational institutions communicate with people indoors.

This year, beacons could influence up to 7 percent of sales at U.S. retail stores operated by the top 100 retailers. That's equivalent to more than $138 million in sales. In 2016, it's estimated that beacons could influence up to 26% of in-store sales at those same retailers.

Percent of US In-Store Sales Potentially Influenced by Beacon Triggered Messages



That's equivalent to more than $555 million in sales. (see graph below)

According to a November 2014 study by marketing platform provider Swirl, 73 percent of consumers indicated that beacon campaigns increased the likelihood of purchase during their visit.

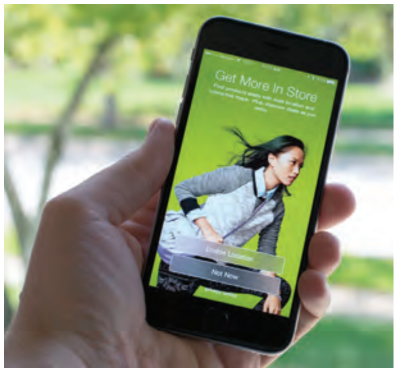
Both Apple and Google offer Beacon solutions today. Here are some of examples:

Google is using the beacons for real-time transit info in Portland, OR. The beacons are installed on TriMet's 87 MAX light rail station platforms. Riders view transit schedules and alerts to their mobile devices.

Major League Baseball began testing it's "At the Ballpark" app with Apple's iBeacon to guide sports fans as they pass by low-power Bluetooth transmitters. The New York Mets are testing the feature at Citi Field, where fans can receive seat directions, get coupons, or see highlight videos.

Virgin Atlantic has started testing beacons at Heathrow airport, where passengers at Terminal 3 receive location-triggered notifications such as welcome messages, boarding time reminders and the option to use their home screen as a boarding pass. The technology is becoming popular for airport infrastructure, as aviation technology firm SITA reported that 44% of airlines plan to install them over the next three years.

Target, the second largest general merchandise retailer in the U.S., is initially testing the technology in 50 stores, in Chicago, Denver, Minneapolis, New York City, Pittsburgh, Portland, San Francisco and Seattle. With beacon technology, the company says it will be able to send information about deals as well as recommendations directly to consumers' smartphones, provided they opt in to receive these alerts. Macy's installed 4,000 beacons in all of its US locations in the fall of last year, according to MediaPost. Lord & Taylor rolled out beacons in 130 stores across the U.S. and Canada, reports Umbel.



More than 400 million beacons are expected to be sold by 2020, most of them in the non-retail world. But it's retailers, like Target, that are getting the most attention, because their use of beacons affects us directly as consumers.

Target's plan is to allow consumers who have opted into receive targeted communications delivered directly to their Bluetooth-enabled mobile devices while inside stores with offers of deals and discounts. The company says that it will limit these notifications, so as not to overwhelm customers with alerts. There will only be two push notifications sent per shopping trip.

In a future release, Target will introduce other beacon-powered features, like the ability to re-sort your shopping list as you move through the store – similar to how mapping applications re-route you when you take a different direction. Another upcoming feature will allow shoppers to request help from Target staff right from their phones.

Beacons in financial institutions

At a time when banks and credit unions are trying to improve the economics of the branch, beacons could boost both customer engagement and revenues. As a customer walks into a branch, their phone would "ping" with a welcome message. A summary of services would be displayed — maybe a personalized map of the office, or perhaps a special offer reflecting the customer's personal bank history and net worth. Customer analytics can be used on traffic patterns to help them better manage their business.

There are challenges of course, for retailers, merchants and credit unions alike. Privacy is an ongoing concern for consumers, especially when we are talking about disclosing their location. Research suggests that people are happy to do so, providing they get suitable and clear value in return.

It is the same for retailers as it is for credit unions. After a consumer opts in, alerts need to be useful and contextual. If they are, there is no reason we can think of why a beaconised world wouldn't go hand in hand with successful m-commerce and m-banking in the future.

Industry News

Continued from page 3

Google announces 'Buy' Button in mobile search ads.

This summer, Google launched Purchases on Google, which lets consumers on smartphones click on a "Buy" button to buy products directly on Product Listing Ads (PLA). PLAs are the listings that show a product's image, price and the retailer selling it in the Google search results for product-related searches. The "Buy" feature, which Google said it was testing with a few retailers, uses saved payment credentials from the user's Google Account for transactions.

PayPal's One Touch, one year later. PayPal's one-click checkout button, One Touch, is steadily building momentum as it approaches the one-year mark on mobile. It has seen significant buy-in from e-commerce merchants: One Touch is now supported by a majority of the 500 biggest US online merchants. A bevy of major payments companies, including Visa, Apple, Amex and Klarna, are offering expedited checkout buttons. These buttons are proliferating because they benefit everyone in the value chain:

- Expedited checkout buttons ease the friction of making an online purchase because customers don't have to enter as much information.
- Merchants see higher conversion rates: 69% of Visa Checkout customers end up finalizing a purchase, compared with just 41% for a traditional checkout customer.
- Payment companies see higher transaction volumes: Because buy buttons are low-friction, customers will likely use them, which means more transactions for the card brand and, ultimately, more revenue.

Visa News

Continued from page 5

a mobile store. Oxfam reports 100% successful transactions with the cards and overwhelmingly positive user feedback. The prepaid card also reduced Oxfam's delivery costs by 60%. Real-time tracking allowed Oxfam to better monitor – and target – its aid disbursement and decide how to support communities more quickly and accurately.

Visa invests in Blockchain startup. Visa has invested in Chain, Inc., the leading provider of blockchain technology solutions to financial institutions. Other investors include Nasdaq, Citi Ventures, Capital One, Fiserv and Orange. A blockchain is a new model for transferring financial assets that substitutes third-party intermediaries with cryptographically secured networks. A blockchain enables asset holders in a market to transact peer-to-peer instantly and at low cost. Transactions are recorded automatically on the network's shared ledger, providing increased transparency to asset issuers, owners and regulators.

MASTERING THE SUCCESS MINDSET

THE THREE PRINCIPLES THAT CREATE BREAKTHROUGH RESULTS

HUGH BLANE

Nelson Mandela survived twenty-seven years in prison and then brought an end to Apartheid as president of South Africa. J.K. Rowling went from newly divorced single mother on state benefits to world record setting author. Steve Jobs led the business world's biggest turnaround and increased Apple stock price 9000% over fifteen years.

Long-term success is not an accident nor can it be attributed to being in the right place at the right time. Success is a mindset and is directly linked to what each leader, team member and employee chooses to focus on, to believe, and to create for themselves and for others.

Building a mindset that fosters breakthrough results requires adhering to the following three principles:

1. Have a big idea, hope, dream or aspiration.
All noteworthy success starts with a big idea, hope, dream or aspiration. When leaders have a big idea that's rooted in creating something inspiring or transformational, the mindset of the leader shifts dramatically toward success. Obstacles previously seen as "unsolvable" morph into "challenging opportunities." This is not blind naiveté, but rather the outcome that comes with all big ideas.

2. Be willing to fail.
90% of successful leaders say they've learned more from their failures than their successes. Their failures challenged them to become better leaders in order to achieve greater success. In turn, they've cultivated a willingness to fail. Not career ending failure as in the case of Volkswagen's CEO, but the failure that comes from giving your very best in service of something noteworthy and compelling.

3. Put talent in perspective.
Successful people have talent, but the key differentiator is not talent. It is their deep reserves of grit and determination. Their big idea prevents them from taking no for an answer and they persevere in the face of all forms of adversity. A success mindset is best understood in Winston Churchill's admonition of "Never, ever, ever, ever, ever, give up."

Companies like Member Access Pacific are successful because they have a deep commitment to helping customers become more successful. Mastering a success mindset requires the same level of commitment. Without question, the greatest accelerator of success you as leader will ever find and use is your mindset. Implementing the above three principles is the jumping off point for greater success. For you, which principle can help you be more successful?

Hugh Blane is President of Claris Consulting. He is a nationally recognized business strategist working to help organizations solve challenging business issues, strengthen personal and professional relationships, and execute on strategic initiatives with greater effectiveness. A subject-matter expert in leadership, team performance and influence, Hugh is a senior-level consultant who has worked with thousands of people in a wide variety of organizations including Spacelabs Medical, KPMG, Costco, Starbucks and Microsoft. For more information, contact Hugh at Claris Consulting, hugh@clarisconsulting.net, 206.829.9413, or online at www.clarisconsulting.net.

Letter from the CEO

Change happens every day. In today's business world, it is the only thing that is consistent. But why are some people better at change than others? And, in an environment where everything is changing, why is it so difficult for some companies to change?

To strategically manage a payment operation at your credit union - credit, debit, ATM, P2P, Billpay, mobile, etc, you need to consider several factors in order to successfully manage change within your institution and membership. These factors fall under three dimensions:

- The reason or cause of change
- The effects of change
- The business and organizational environments for implementing change.

Cyndie Martini
President/CEO

By considering all three dimensions, managers and executive can effectively understand and direct the scope of change in their institutions and membership.

Reasons for Change: While there can be any number of reasons for change, there are three common causes: industry, customers and competition - and it's usually a confluence of the three. Today, the biggest reason for change in our industry is the smartphone and what that brings. It's new industry competitors like Paypal that are eating away at our interchange volume and its members who are demanding that credit unions provide the latest payment technology, no matter the institution's size or capability.

Influences of Change: The characteristics of your organization, such as attitudes, work ethic and processes, have a direct influence on how well your credit union will successfully adapt or embrace change. Taking a hard look at your organization and determining the people and departments that are open to change and those that are skeptical will influence your future success. One of the most important factors influencing the implementation of a change within an organization is process. Management's behavior in terms of priorities, decision-making styles and responsiveness can influence the organization undergoing change as well as those who interact with that organization.

Environment: The environment where change is targeted will have a huge impact on its acceptance or rejection. Culture, in particular, plays an important role in whether change is successful. For years, credit unions were closed cultural environments, but as competition and technology has intensified, credit unions have become more open with higher turnover among employees and a need for continual growth and learning.

As your organization grapples with the fierce change in payments and other business lines, we encourage you to contact MAP for the tools and resources necessary to service the unique needs of your institution and membership. As a change agent, your solution must be more than a way to get from Point A to Point B. It must consider the three dimensions of change: the reason, its influences and the environment.

At MAP, we strive to make our clients more competitive by providing payments solutions that best serve their members. Our success comes from providing cost-effective, best-in-class solutions for our clients. For more information about how MAP can best serve you and your institution, feel free to call me, 1-866-598-0698, ext 1610, or email me at cyndie.martini@mapacific.com.

PRSRT STD
US POSTAGE
PAID
SEATTLE, WA
PERMIT #1445

ACCESS THE WORLD

16000 Christensen Road, Ste 200
Seattle, Washington 98188

Phone: 1.866.598.0698
Fax: 206.439.0045
Email: info@mapacific.com