

# TransactionWatch

*Weekly Newsletter For Payments Executives That Covers The Most Important  
And Relevant Merchant Acquiring Deals And Activity*

*Week of:  
June 21<sup>st</sup> – June 25<sup>th</sup>*

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# Deal Activity Summary

June 21<sup>st</sup> – June 25<sup>th</sup>

## This Week's M&A Overview

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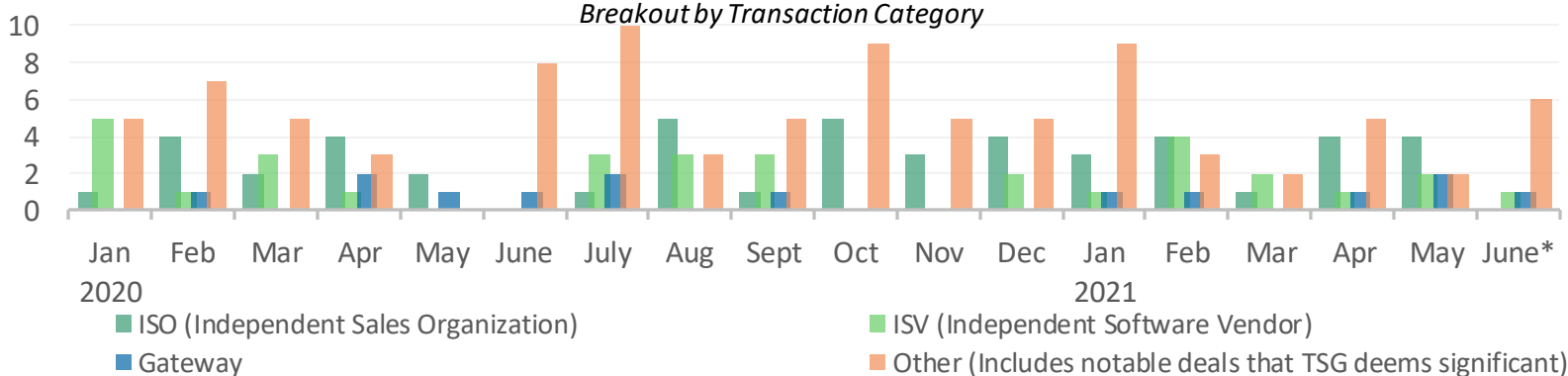
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Visa takes action on their global initiatives this week with their announcement to acquire European open banking platform provider Tink. This acquisition will further enhance Visa's overall technology infrastructure and help streamline their connection to more cardholders, financial institutions, and merchants. Visa will pay approximately \$2.15 billion for this deal, which will include cash on hand and retention incentives. The deal comes on the heels of Visa's falling out agreement to acquire Plaid from earlier this year, which was evidently hampered by the U.S. Department of Justice. Visa sees strong incentives to further bolster their position in the European market, and this acquisition will assuredly help sustain further growth in the area as well as lead to increased opportunities globally.

In other M&A news, REPAY announced this week their acquisition of Kontrol Payables, an account payable (AP) provider that has a network of over 13,000 suppliers. As part of this deal, REPAY will pay up to \$11 million, of which \$8 million will be paid at closing using cash on hand. This acquisition helps further position REPAY in the B2B market while also improving their enterprise customer's back-office processes. Moreover, this acquisition will bring significant virtual card volume to REPAY's platform as Kontrol is expecting to process approximately \$300 million in 2021 volume.

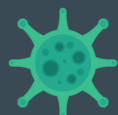
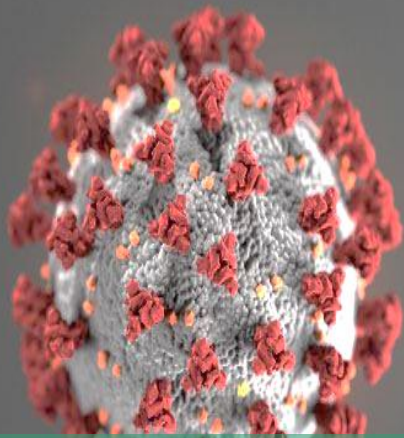
### 2020 – 2021 YTD M&A Activity

Breakout by Transaction Category



\*As of publication.

Note: TSG's selected M&A activity monitors specific markets relating to the acquiring industry and the general payments market.



# COVID-19 Industry Impact

June 21<sup>st</sup> – June 25<sup>th</sup>

**As the world faces the continuously evolving COVID-19 pandemic, TSG is here to help support our clients by providing valuable information as it relates to COVID-19's impact on the merchant acquiring industry. In order to help keep our readers well-informed about this ongoing crisis and how it relates to the payments market, below are this week's essential news stories.**

## **Consumers' Use of Mobile Wallets Up Nearly 50 Percent Among Those Paying Bills Digitally More Often During Pandemic, New ACI Speedpay Pulse Study Reveals**

[BusinessWire](#) | June 24<sup>th</sup>, 2021

*According to new data from ACI Worldwide, a leading global provider of real-time electronic payment and banking solutions, the use of mobile wallets has increased nearly 50 percent (49%) from 2020 to 2021 among those using digital payments more frequently to pay bills than they did before the pandemic (21.4%).*

## **Besides E-Commerce, the Pandemic Also Gave Mobile Wallets And the Buy Online, Pick Up in Store Option a Lift**

[Digital Transactions](#) | June 23<sup>rd</sup>, 2021

*Plenty of reports since the onset of the Covid-19 pandemic have documented how consumers have responded by shifting to e-commerce—some for the first time—but few reports break out the impact on the mobile segment of that number. It turns out the pandemic has spurred considerable shopping by mobile-phone users, as well.*

## **U.S. economy grew at unrevised 6.4% annual rate in first quarter**

[MarketWatch](#) | June 24<sup>th</sup>, 2021

*The pace of growth in the U.S. economy in the first quarter remained unrevised at a 6.4% annualized rate after the latest revision, the Commerce Department said Thursday (June 24<sup>th</sup>). Economists surveyed by the Wall Street Journal had forecast no revision. Using more complete source data, the government found that upward revisions to business investment was offset by a larger international trade deficit.*

## **Jobless claims hold above 400,000 for the second week in a row**

[CNBC](#) | June 24<sup>th</sup>, 2021

*Initial claims for unemployment insurance remained elevated last week as employers struggled to fill a record number of job openings. First-time filings totaled 411,000 for the week ended June 19, a slight decrease from the previous total of 418,000 but worse than the 380,000 Dow Jones estimate, the Labor Department reported Thursday (June 24<sup>th</sup>).*



# B2B Payment Network

## Navigating Through The B2B Payment Network

The B2B Payment Network has evolved significantly. Are you up to speed on the market opportunities currently available? TSG has proven results of helping clients [navigate the emerging B2B space](#). Whether starting new or improving the program you already have, there are critical questions you must ask.

### LOOKING TO START A NEW AP PROGRAM?

- Do you know there is a simple way to start this program at **no cost to you**?
- Do you know how much **additional revenue** you could potentially be generating?
- Are you aware that you could **be reducing manual processes and costs**?
- Are you looking for a way to **improve reconciliation processes** for yourself and your suppliers?

### DO YOU ALREADY HAVE AN AP PROGRAM?

- How **old** is your AP program?
- Are you **optimizing your returns**? Do you know you could potentially be leaving money on the table?
- The competition among AP Automation companies is aggressive when bidding for new business, **do you know how your program compares** against the industry?
- Are you looking to **exceed supplier acceptance targets**?

Whether you're looking to start a new program or improve your current accounts payable system, The Strawhecker Group is fully equipped to guide you through this initiative. TSG can help you partner with the right issuer to derive the most benefit from your program and maximize your ROI.

For more information, please email [Info@thestrwegroup.com](mailto:Info@thestrwegroup.com)



# Historical M&A Tracker

Transaction History: February 2021 – May 2021

## Transaction Categories:



**ISO**

Independent  
Sales Organization



**ISV**

Independent  
Software Vendor



**Gateway**



**Other**

Includes notable deals that TSG  
deems significant

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
Other	Visa	Tink	\$2,150	6/24/2021
Other	REPAY	Kontrol Payables	\$11	6/22/2021
Other	Atlantic-Pacific Processing Systems (APPS)	Clique Payments	-	6/18/2021
Other	Checkout.com	Icefire	-	6/15/2021
ISV	Toast	xtraCHEF	-	6/10/2021
Other	Lightspeed	Ecwid	\$500	6/7/2021
Other	Lightspeed	NuORDER	\$425	6/7/2021
Gateway	EVO Payments	Pago Facil	-	6/3/2021
ISO	FortisPay	Change Merchant Solutions	-	5/26/2021
Gateway	FortisPay	EpicPay	-	5/26/2021
ISO	GreenBox POS	Northeast Merchant Services	\$3	5/25/2021



# Historical M&A Tracker

Transaction History: February 2021 – May 2021

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
Other	Sift	Chargeback	-	5/25/2021
Other	Stripe	Bouncer	-	5/14/2021
ISO	MiCamp Solutions	American Bank Payments	-	5/11/2021
ISO	REPAY	BillingTree	\$503	5/10/2021
Gateway	Nuvei	Simplex	\$250	5/6/2021
ISV	Bill.com	Divvy	\$2,500	5/6/2021
ISV	Global Payments	Zego	\$925	5/4/2021
Other	Stripe	TaxJar	-	4/27/2021
ISO	Paya	Paragon Payment Solutions	-	4/26/2021
ISO	Deluxe	First American Payment Systems	\$960	4/22/2021
Other	Mastercard	Ekata	\$850	4/19/2021
Other	Nuvei	Mazooma	\$315	4/16/2021
ISO	DocuPhase	Clearwater Payments	-	4/12/2021
Other	Tipalti	Approve.com	-	4/12/2021
ISV	GreenBox POS	ChargeSavvy	\$12	4/8/2021
Other	EML Payments	Sentenial Group	\$130.5	4/6/2021
ISO	Payroc	Retriever Merchant Solutions	-	4/2/2021



# Historical M&A Tracker

Transaction History: February 2021 – May 2021

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
Gateway	Bank of America	Axia Technologies	-	4/2/2021
ISO	Fiserv	Pineapple Payments	-	3/25/2021
ISV	Lightspeed POS	Vend	\$350	3/11/2021
Other	PayPal	Curv	-	3/8/2021
Other	Priority Technologies	Finxera	\$425	3/8/2021
ISV	Shift4 Payments	VenueNext	\$72	3/4/2021
ISO	Clearent	Transaction Services Group (TSG)	-	2/25/2021
Gateway	NMI	USAePay	-	2/23/2021
ISV	Corcentric	Vendorin	\$100	2/16/2021
ISV	Tyler Technologies	NIC, Inc.	\$2,300	2/10/2021
ISO	AffiniPay	ClientPay	-	2/9/2021
ISV	NCR	Terfina	-	2/8/2021
ISV	I3 Verticals	Business Information Systems	\$87.7	2/5/2021
Other	FTAC Olympus Acquisition Corp.	Payoneer	\$3,300	2/3/2021
Other	SumUp	Paysolut	-	2/2/2021
Other	CURO Group Holdings	Flexiti Financial	\$121	2/1/2021
ISO	CORE Business Technologies	Secure Instant Payments (SIP)	-	2/1/2021



## Headline News

June 21<sup>st</sup> – June 25<sup>th</sup>



### **Deutsche Bank and Fiserv Announce Joint Venture for Payment Acceptance in Germany**

[BusinessWire](#) | [June 21<sup>st</sup>, 2021](#)

Deutsche Bank, Germany's largest bank, together with Fiserv, a leading global provider of payments and financial services technology, today (June 21<sup>st</sup>) announced a joint venture to create a comprehensive provider of payment acceptance and banking solutions. The joint venture will serve small and medium-sized enterprises (SMEs) in the German market and will be based in Frankfurt am Main, pending regulatory approval.



### **Shift4 Payments Surpasses \$1 Billion in Weekly End-to-End Processing Volume**

[BusinessWire](#) | [June 22<sup>nd</sup>, 2021](#)

Shift4 Payments, the leader in integrated payment processing solutions, announced that it has surpassed \$1 billion in weekly end-to-end payment processing volume for the first time in the company's history. Shift4 CEO Jared Isaacman states, "This is an exciting milestone for Shift4, especially as we celebrate the one-year anniversary of our IPO. Our first billion-dollar year was 2004, which we thought was a pretty big deal at the time. To achieve \$1 billion of end-to-end volume in a week represents a compound annual growth rate of over 26% for the last 17 years.



### **FTAC Olympus Acquisition Corp. Shareholders Approve Proposed Business Combination with Payoneer**

[BusinessWire](#) | [June 23<sup>rd</sup>, 2021](#)

FTAC Olympus Acquisition Corp. ("FTOC"), a special purpose acquisition company, today (June 23<sup>rd</sup>) announced that FTOC shareholders voted to approve the proposed business combination with Payoneer Inc. ("Payoneer"), the commerce technology company powering payments and growth for the new global economy, at its Extraordinary General Meeting held today, June 23, 2021.



## Partnership Activity

June 21<sup>st</sup> – June 25<sup>th</sup>



Payment Technology Network

### Nuvei and Discover Global Network Sign Acquiring Agreement to Increase eCommerce Acceptance

[GlobeNewswire](#) | June 22<sup>nd</sup>, 2021

Nuvei Corporation (“Nuvei” or the “Company”), the global payment technology partner of thriving brands, announced today (June 22<sup>nd</sup>) that its wholly owned subsidiary has signed an acquiring agreement with Discover Global Network, the payment brand of Discover. Nuvei has secured the partnership at a critical time as the shift to eCommerce continues to surge, satisfying the demand for greater connections between online merchants and Discover Global Network. The enhanced card acceptance offering allows businesses to provide an improved online shopping experience that can help increase sales and attract more clients from across the globe.



### Bilt Rewards and Mastercard Team Up to Launch the Bilt Mastercard: The First Credit Card with No Fees on Rent Payments

[Mastercard Newsroom](#) | June 22<sup>nd</sup>, 2021

Bilt Rewards, the new renter loyalty program launched by an alliance of the country’s top real estate owners, and Mastercard today (June 22<sup>nd</sup>) announced a multifaceted partnership to launch the Bilt Mastercard. The co-brand credit card offers renters across the United States a way to pay rent via credit card with no fees, earn points on their largest expense, raise their credit history with every on-time rent payment, and build a path towards homeownership.

### Other Notable Partnerships:

- **Valid** has joined **Google’s** Android Ready SE (Secure Element) Alliance.
- **Cambridge Global Payments** extends their partnership with **Sage** in regards to their cloud financial management system.
- **Fiserv** teams up with **NYDIG** for enabling easier access to bitcoin for financial institutions.



# Management Changes

June 21<sup>st</sup> – June 25<sup>th</sup>



**metricsglobal**  
Worldwide Payment Solutions. Trusted Partner.

## Michael Cottrell Joins Metrics Global As The Company's New President

Former Global Payments executive, Michael Cottrell, has joined Metrics Global as the company's new President. Under this new role, Michael will be responsible for the company's day-to-day operations and leading their strategic solutions. Michael joins Metrics Global from Global Payments, where he recently served as VP of Product.

Date Announced	Company	Personnel	New Position	Previous Position
6/22/2021	Metrics Global	<b>Michael Cottrell</b>	<i>President</i>	VP of Product at Global Payments
6/23/2021	Blackhawk Network	<b>David McLaughlin</b>	<i>Chief Financial Officer</i>	CFO at Hiscox USA
6/23/2021	Jack Henry & Associates	<b>Chris King</b>	<i>Chief Sales and Marketing Officer</i>	VP of NCR's Global Financial Sales channel



# TSG Payments Index

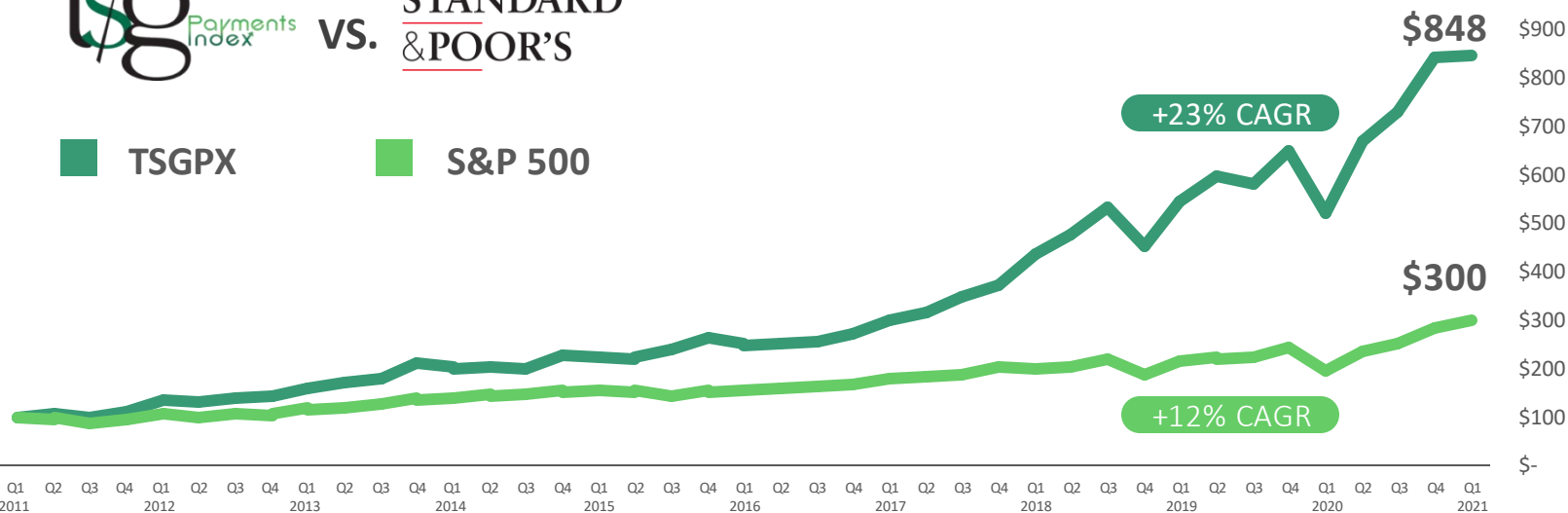
Q1 2011 – Q1 2021



VS. STANDARD  
& POOR'S

TSGPX

S&P 500



Payments companies have been thriving in recent years and are becoming more valuable and profitable for the company and its investors. With strong earnings year after year, many payments companies are rapidly increasing their market capitalization and gaining the attention of additional stakeholders.

The chart displays the performance of a \$100 investment in an index of selected payments companies which represent the “TSG Payments Index” – this index is calculated on a value weighted basis using market capitalization and is compared to the S&P 500 which is also calculated using the same methodology. **A \$100 investment in the TSGPX in Q1 2011 would be valued at approximately \$848 in Q1 2021, as compared to \$300, if invested in the S&P 500.**

On average, payments companies grow at a compounded rate that is **11% higher** than that of the industry average. This growth rate is more than double of the industry average and represents the attractiveness of the payments market. The Payments Index is depicted to portray the growing nature of the payments market and hints at where this market is headed in the coming years.





# TSG Buy/Sell Consulting Services

## Buy-Side

- Buyers use TSG's due-diligence subject matter experts for support on a variety of key decision criteria can affect the value of the property. TSG assists buyers by acting as their advisor as they evaluate the financial value, benchmarking key performance metrics, determine risk, and evaluate the value of any technology assets.

## Sell-Side

- The key factor in a successful asset sale is understanding the true value of your enterprise. Value is defined as the "amount a buyer is willing to pay." TSG has a pulse of the market and performs an extensive evaluation of value drivers to ensure potential "sellers" understand the value of their company in the marketplace – prior to starting the sales process. In addition, buyers can use the data to assess offers that have been received for an accurate and fact-based assessment of the offer.

## Private Equity

- TSG can help private equity firms understand the landscape before investing and can build a market analysis to determine which investment is the best fit to create the highest ROI. TSG provides investors and financial institutions with the documented valuation information needed to support funding events.

## Restructuring & Re-Capitalization

- TSG can facilitate strategic exercises to help forge a new path ahead and can help with implementation of a new structure to ultimately maximize the value and performance of the entity.

30+  
ACQUISITIONS  
AND INVESTMENT  
TRANSACTIONS



250+  
COMPLETED  
PAYMENTS CO.  
VALUATIONS



8 of 12  
OF THE LARGEST  
PAYMENTS TRANS  
IN THE LAST YEAR



\$10-100M  
TYPICAL DEAL  
RANGE





## TSG Buy/Sell Consulting Services

TSG Has Advised For Many Leading Companies in the Payments Industry



In its  
sale to



In the  
acquisition of



In the  
acquisition of



In the  
acquisition of



In its  
Merger with



In its  
sale to



On their funding  
event with



On their funding  
event with



In the  
acquisition of



In due diligence support  
of its investment into



THE BEEKMAN GROUP LLC

In its  
recapitalization of



In a merchant portfolio  
purchase from



In its  
merger with



On the organization of  
its joint venture with



On their  
investment in



In the  
acquisition of



In the  
acquisition of



In acquisition of the  
operation assets of



In the  
acquisition of



On their joint  
venture with





Payments Experts. Powerful Data.  
THE STRAWHECKER GROUP®

## ANALYTICS + CONSULTING

The Strawhecker Group (TSG) is a fast-growing analytics and consulting firm. The company serves the entire payments ecosystem, from fintech startups to Fortune 500 companies. The firm provides its clients with advisory services, research and analytics to help them plan and execute their strategic initiatives. Based in Omaha, a recognized payments industry hub, TSG is an established leader in this high-growth, ever-evolving space.

