



## Why Payments M&A Activity Is Hot

By Robert P. Zinn, [K&L Gates LLP](#)

With the holiday season upon us, it's not too early to declare 2014 a year of exceptional growth in financing for payments companies, as well as M&A activity that reflects consolidation. We see no reason to think this trend will abate anytime soon.

"2015 will be another year of incredible innovation in the payments industry, with M&A activity a critical part of the process," according to [Anil D. Aggarwal](#), chairman of Money20/20. "It continues to be an exciting time of widespread and fundamental change."

Strategic acquirers strive for value creation by buying payments businesses complementary to their existing core competencies or that provide new revenue opportunities or solutions. Acquirers crave more efficient and secure payment platforms, and new and existing products that give consumers worldwide better ways to access their money and manage financial obligations.

The constellation of payments industry participants mirror three fundamental and intersecting trends driving an economy increasingly belonging to millennials: innovation, globalization and regulation. The enormous potential of a

multidimensional payments industry challenges all of us to yoke creativity to commerce, and to adapt to—and capitalize on—rapidly changing business models, regulatory regimes and consumer desires, as well as competing and conflicting industry forces. That this inevitably will yield many failed experiments and some incredible successes is precisely what fuels the explosive growth in deal-making we're now witnessing.

### Snapshot of Payments M&A in Paybefore

- [CPI Card Group to Acquire EFT Source](#)
- [Heartland Acquires mPOS Tablet Maker Leaf](#)
- [Global Payout to Acquire M-Payments Provider Focused on Underserved](#)
- [FleetCor Acquires Comdata for \\$3.45 Billion](#)
- [Vantiv Completes Acquisition of Mercury Payment Systems](#)
- [Manhattan Associates Acquires Assets of GlobalBay Technologies for Mobile-Enabled Point-of-Sale and Clienteling](#)
- [Heartland Payment Systems to Acquire TouchNet Information Systems, Inc.](#)
- [ACI Worldwide to Acquire ReD for \\$205 million](#)
- [CardCash.com Acquires Plastic Jungle](#)
- [Billtrust Acquires Open Scan Technologies](#)
- [WEX's Evolution Continues with Latest Health Care Buy](#)
- [Euronet Worldwide Completes the Acquisition of HiFX](#)
- [MasterCard Bulks up Processing Muscle in India with ElectraCard Services Acquisition](#)
- [Gemalto Acquires Two Payment Card Personalization Bureaus for the U.S. Market](#) 

- [Blog: Get Ready to Be Acquired](#)
- [M&A Roundup: Heartland Acquires XPIENT Solutions; JetPay Buys ACI Merchant Systems](#)
- [Mastercard to Acquire TNS' Payment Gateway Business](#)
- [The Network Effect: Ingo Money Acquires Fuze](#)
- [Boku Acquires Rival mopay](#)
- [Emerchants Acquires Store Financial UK Arm for \\$21.7 Million](#)
- [Blackhawk Network Acquiring Parago for \\$290M](#)
- [Green Dot Nabs Tax Refund Processor for \\$320 Million](#)



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