

	NEWS	SPORTS	BUSINESS	VENUE/LIVING	OBITUARIES	OPINION	CALENDAR	NM TRAVEL	CLASSIFIEDS	JOB	AUTOS
--	------	--------	----------	--------------	------------	---------	----------	-----------	-------------	-----	-------

Executive's Desk: Coming soon: Chip-embedded credit cards

Business Business Columns Business Insider Outlook

Like 54,641 people like this. Be the first of your friends.

- SHARE
-  Twitter 0
 -  Facebook 0
 -  LinkedIn 0
 -  submit
 -  Email this article
 -  Print this article

By [Missy Galle](#)
 PUBLISHED: Monday, March 16, 2015 at 12:02 am

Major credit card processors are imposing tougher security measures on credit card issuers in the industry's ongoing efforts to combat credit card fraud.

These global standards – called EMV for Europay, MasterCard and Visa, the companies collaborating on the new system – include embedding computer chips into “smart” credit cards that offer greater security for point-of-sale transactions than the magnetic strips on traditional credit cards.

Many chip-embedded cards require a personal identification number instead of a signature to complete the point-of-sale transaction and close the security loop; these “chip-and-PIN” cards are the norm around the world, though they've been slow to catch on in the United States.

One incentive for the changeover is the soaring cost of fraud. According to the payment industry's Nilson Report, credit card fraud cost banks and merchants more than \$5 billion in the U.S. alone in 2012. By contrast, credit card fraud in face-to-face sales has dropped dramatically in countries around the world that have adopted the new technology.

Deadline looms

The deadline for credit card issuers to offer chip-embedded cards is Oct. 1. After that, the party with the less secure technology will be liable for fraud that wouldn't have happened with a chip-enabled point-of-sale system.

Who pays to convert the machines – about \$200 to \$600 per terminal – depends on the relationship each merchant has with his or her bank or merchant services provider. Merchants who rent equipment from LANB, for example, will receive chip-enabled equipment as part of

NAME: Missy Galle
TITLE: Operations officer



ORGANIZATION: Los Alamos National Bank

their service agreement, but merchants who own their point-of-sale machines will need to purchase upgraded card readers.

Businesses that accept credit cards should contact their provider of merchant services to discuss their options and potential business impact in the coming years as the chip-card transition picks up steam.

That provider is the bank or other financial institution that handles the business' accounts, or it might be a third party or payment gateway, such as PayPal, Square Up and Intuit GoPayment. These companies also issue business customers card readers that plug into iPhones, iPads and Android devices, and these readers are being upgraded to process chip-embedded cards.

The chip-enabled cards don't solve the problem of fraud in card-not-present sales, such as those conducted online or over the phone.

In the meantime ...

During the transition to EMV, chip cards in the U.S. will retain a magnetic strip so customers can use their high-tech cards at businesses that haven't upgraded their technology.

Businesses that want help with equipment setup and support are encouraged to develop a relationship with a local bank, which can offer more personalized service and faster turnaround when resolving transaction-related problems. LANB works to resolve all problems the same day, whenever possible. If a customer cannot process due to equipment issues, LANB will get new equipment ready to go and delivered to the customer. Rarely does a problem require more than one business day to correct.

To learn more about merchant services, visit www.lanb.com/Merchant-Processing1.aspx.

Finance New Mexico is a public service initiative to assist individuals and businesses with obtaining

ADVERTISEMENT

\$189
PER MONTH LEASE*

36 Months, \$1,999 Initial Payment, Excl. taxes, title and license

THE 2015 NISSAN ALTIMA®

*More Lease Information
 As shown 2015 Altima 3.5 SL with Meta \$200 per month lease.

BIZ CALENDAR

PREMIEREVENT

SUN, MAR 22



Embodying the Wisdom of the Heart

Unity Spiritual Center Albuquerque

BUSINESS EVENTS

WEDNESDAY, MARCH 18 }
 6:00 PM



Marketing Your Small Business

Sandoval County SBDC Bernalillo Office

THURSDAY, MARCH 19
 7:30 AM



Above and Beyond Business Networking

Fairwinds Rio Rancho

11:45 AM



Really - Do High Risk Stocks Earn Higher Returns?

Inn and Spa at Loretto

NEXT EVENTS >

ADD EVENTS FULL CALENDAR

BUSINESS LINKS

- ABQ Economic Development Stories
- ABQJournal's Business Insider newsletter
- City of ABQ Business Info Search
- City of ABQ Business Registration
- City of ABQ Economic Development Dept.
- Legal Notices

skills and funding resources for their business or idea. To learn more, go to www.FinanceNewMexico.org.

COMMENTS

Note: Readers can use their Facebook identity for online comments or can use Hotmail, Yahoo or AOL accounts via the "Comment using" pulldown menu. You may send a news tip or an anonymous comment directly to the reporter, [click here](#).



Add a comment...

Also post on Facebook

Posting as **Trisha Stapleton** ▾



Tim Mahoney · Top Commenter · Works at Retired

Hmmm. And the cost of these new, high tech chips won't be passed onto the card holders, will they? It's different from the RFID technologies that are a combination of customer convenience and major security risk. They're always "on" and the signals can be picked up discreetly with relatively simple technology and you'll never know you've been had until your bank account is drained or your credit card maxed out. I've managed to confirm that my current credit and debit cards are NOT RFID vulnerable. Wonder who's bothered to check on what's actually in their wallets and purses.

[Reply](#) · [Like](#) · [Follow Post](#) · March 16 at 9:07am

Facebook social plugin

[Restaurant Inspection Results](#)

[Small Business Administration of ABQ](#)

[Success](#)

MOST POPULAR

[Permanent daylight time clears Senate](#)

[Grab your galoshes](#)

[New ATM technology coming to New Mexico](#)

[Ferguson gun suspect claims police brutality](#)

[SF County inmate dies, had alcohol level six times legal limit when arrested](#)

[Lobo women excited about game in old gym](#)

[State Fair to have new midway operator next four years](#)

[Murder suspect tracked down in Mexico](#)

[APD shooting lawsuit on track as stay lifted](#)

[Lawmakers get head start divvying possible revenue](#)

Weekly rankings

FEATURED JOBS

Albuquerque, NM

Therapist

RED MOUNTAIN FAMILY SERV INC

Albuquerque, NM

Business Office Technology Program

DONA ANA COMMUNITY COLLEGE

-, -

Receptionist

Company Confidential

[All Featured Jobs](#) | [Feature Your Jobs: call 823-4444](#)

CONTACT THE JOURNAL

[Staff directory](#)

[Send a letter to the editor](#)

[Submit a news tip](#)

[Submit an obituary](#)

[Email a reporter](#)

[Advertise in the Journal](#)

505-823-3800

SUBSCRIBER SERVICES

[Account services](#)

[Access our archives](#)

[Subscribe to the Journal](#)

[Place a classified ad](#)

[Recover username/password](#)

[Privacy policy](#)

505-823-4400

RELATED SITES & PARTNERS

[Journal Rewards](#)

[Rio Rancho Observer](#)

[News in Education](#)

[Valencia County News-Bulletin](#)

[Mountain View Telegraph](#)

[El Defensor Chieftain](#)

[Kirtland AFB Nucleus](#)