

## MasterCard Introduces U.S. Roadmap to Enable Next Generation of Electronic Payments

By [Richard A. Gibbs](#) on January 31st, 2012

On January 30, 2012, MasterCard introduced its roadmap for migration from magnetic stripe to EMV technology. MasterCard states that the roadmap will serve as the foundation for MasterCard's next generation of products and services developed to enhance the way consumers pay.

Chris McWilton, MasterCard President of U.S. Markets states that MasterCard's "roadmap represents a transformational shift in the approach to payments and is not simply about EMV, chip and PIN. [It's] focused on readying the ecosystem to drive future innovation and provide new consumer experiences to enhance the value of electronic payments."

MasterCard's press release and associated website are very light on details on the roadmap and implementation activities; however, MasterCard has stated that such information will be provided in the coming weeks and months.

Elements of the MasterCard roadmap include:

- EMV—Solidifying EMV as the foundation of the next generation of payments
- Immediate focus on acquirer infrastructure—Working with acquirers to ensure infrastructure readiness by April 2013
- Encouraging greater security and cardholder verification—Providing consumers with greater control and reducing fraudulent transactions
- Provide benefits for merchant terminalization—Providing true financial benefits for merchants as they implement EMV-compatible terminals
- Cover all channels—Addressing all touch points where consumers will interact with MasterCard, including ATMs, the physical point-of-sale, online and mobile commerce
- Commitment to leadership and collaboration—Fostering industry collaboration to deliver the next generation of payments into the U.S. marketplace

As details come available, it will be interesting to see how MasterCard's initiative compares with Visa's previously announced initiative (see [Visa's Chip Card Initiative: A Good Start Towards U.S. EMV Adoption – But Is It Enough?](#)).

Of particular interest will be whether MasterCard will require chip-and-PIN, and not only chip-and-sig (the use of an EMV card without a PIN). A recent article from American Banker ([Unlike Visa, Merchants Pushing PIN for Chip Cards in U.S.](#), subscription required) notes that merchants are adamant that any EMV initiative in the United States require chip-and-PIN, not chip-and-sig, and that a common migration roadmap is needed that emphasizes chip-and-PIN with the payment networks, banks, acquirers and processors.

This document is made available by our lawyers for educational purposes only as well as to give you general information and a general understanding of the law, not to provide specific legal advice. By using this document you understand that there is no attorney client relationship between you and the document publisher. This document should not be used as a substitute for competent legal advice from a licensed professional attorney in your state.

