

Offshore Accounts, Island Style

Bermuda-based First Atlantic Commerce links international merchants to online credit-card processing

By Bryan Ochalla

One of the defining moments of Andrea Wilson's career: Receiving a call in 1998 from an online merchant looking for assistance with credit-card processing.

"In those days, Bermuda didn't even have an ISP—there was no Internet here," says Wilson, who was working for the island nation's Butterfield Bank at the time.

"What the merchant was asking was completely foreign to me," she remembers. "I had no idea how to go about helping them."

Wilson didn't just pass the call on to someone else at the bank—or, worse, pass it on to another financial institution altogether. Instead, she called First Data, where Butterfield had its card-issuing portfolio.

The Colorado-based merchant processing services provider put Wilson in touch with a developer who gave her a crash course in online credit-card processing. Not long after, she used that knowledge to launch her own company dedicated to the same task: First Atlantic Commerce Ltd., (FAC).

"We were one of the early entrants into the market," Wilson says of FAC, which was the first international payment gateway certified to the First Data platform 10 years ago.

Today, FAC is a decidedly different beast. "We've obviously had to change our model over the years, as we went through the peaks and valleys of the dot-com boom and bust," Wilson says.

Local Flavor

Rather than working with "pure dot-com businesses," Wilson says First Atlantic Commerce's current clients include airlines, car rental companies, hotels, and more. The company also provides payment solutions for Jamaica's customs department.

"We offer services and solutions that other people either don't know they can do, don't know are available, or don't know are possible," Wilson says.

A number of large Caribbean hotels run their cash kiosks through FAC's payment gateway. "They came to us because the Caribbean market is notoriously difficult, especially from a telecom reliability standpoint," Wilson says. "A lot of their banks don't even offer merchant accounts because they're not licensed by VISA or MasterCard.

"What do you do when you're a big hotel property in St. Martin, for example, and you want to start taking online reservations so you can gain access to the travel portals, but you can't

find a bank to give you a merchant account?" she asks. FAC creates solutions for those businesses so they can take advantage of or leverage the Internet in a way they typically would not be able to in that market.

The decision to focus on such "emerging markets" was one of Wilson's early strategies. "I wanted to steer clear of the domestic market," she explains. "I can't compete with the likes of ClearCommerce or CyberSource—but I can support all of the emerging markets and all of the emerging businesses in those markets and make a good business out of that."

Wilson points to a project currently underway with PROSA—Latin America's largest clearinghouse for electronic bank and credit-card transactions—to offer Verified by Visa and MasterCard security codes to acquirers in Mexico as another strategy that differentiates her company. "We're implementing a solution that they simply don't have access to domestically," she says. "It's all in an effort to mitigate and reduce card fraud in that country."

Sea of Online Business

Because of her background in card issuing, Wilson knows about card fraud from an issuer's perspective. "I understand phishing, skimming, spoofing—all of the things that happen when card-not-present transactions are compromised. If you understand that side of the business, you can create solutions."

That's an important distinction for FAC's clients. "Everything can be created online today," Wilson points out. "If you get a BIN, you can create counterfeit card numbers in five minutes. If someone decides to run those numbers through a merchant site, the merchant probably won't have any idea it's happening."

Wilson's next moves? "Online conference companies are saying they want to take registrations online, they want to do their subscription billing online, they want to do many things that will help streamline their particular business," she says. Additionally, "airlines with call centers are asking us to help verify cardholders over the phone."

"We're starting to see the Internet being used as a tool to facilitate credit-card transaction processing, which is pretty far removed from the original online business model," she says. "More and more companies are using the Internet to help facilitate business simplification."

As the industry continues to grow in that direction, FAC will continue to help companies diversify into markets where they may not have any experience. "Merchants don't always know what is available to them, and because of that, they don't always know who to ask for help," says Wilson. "I'd like to think we'll continue playing that role far into the future." **TT**

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Wilson in front of FAC headquarters