

AMEX CAPN and VISA 62.23 changes

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AMEX CAPN OVERVIEW

American Express changes are all wrapped into an initiative called AMEX CAPN. CAPN is a global, multi-million dollar, multi-year technology effort that seeks to deliver a more flexible, adaptable and efficient card processing infrastructure for the American Express core processing systems – authorization, submission, clearing and settlement. Due to the size of this initiative, the requirements will be rolled out in phases.

Phase I of the project includes authorization changes for all American Express merchants in the industries of Retail and Lodging. The retail category includes merchants such as mail/telephone order, Internet, recurring billing, parking, financial services, restaurant, Quick Service Restaurant (QSR) and entertainment.

VISA CHANGES OVERVIEW

Visa and Mastercard released new requirements in their April 2007 update that were optional in April, but will be required by October 14, 2007. The changes require that the terminal receive an additional field in the auth response and send it up in the settlement. The field is referenced by Visa as "field code 62.23." Some of the processors will require the value be passed up to them in settlement, and some will not - they will retain it from the auth response.

In most cases if the customers do not upgrade to compliant versions it will cause their transactions to downgrade, typically resulting in higher fees.