

# Anticipated acquisition by Fidelity National Information Services, Inc. of Total System Services LLC.

## Decision on relevant merger situation and substantial lessening of competition

**ME/7126/25**

The CMA's decision on reference under section 33 of the Enterprise Act 2002 given on 27 November 2025. Full text of the decision published on 15 December 2025.

Please note that [✂] indicates figures or text which have been deleted for reasons of commercial confidentiality. In addition, some figures may have been replaced by ranges at the request of third parties for reasons of commercial confidentiality.

### 1. THE PARTIES AND THE TRANSACTION

1. On 17 April 2025, Fidelity National Information Services, Inc. (**FIS**) agreed to acquire Total System Services LLC. (**TSYS**) (the **Merger**).<sup>1</sup> FIS and TSYS overlap in the supply of outsourced card issuer processing in the UK, specifically for credit cards and debit cards, on behalf of banks and other financial institutions.<sup>2</sup> The Parties' customers are issuers<sup>3</sup> of payment cards, consisting typically of banks and other financial institutions.

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<sup>1</sup> FIS and TSYS are together referred to as the **Parties** and, for statements relating to the future, the **Merged Entity**.

<sup>2</sup> Outsourced issuer processing refers to a range of functions performed for the issuer of a payment card, typically a bank or financial institution, in processing card payments, including at a minimum, core processing and authorisation functions. In addition to credit and debit cards, outsourced issuer processing is also provided in relation to prepaid cards. At an early stage in its investigation, the CMA considered there was no realistic prospect of competition concerns in relation to the supply of outsourced prepaid card issuer processing in the UK given TSYS' minimal activities in relation to this card type in the UK, and therefore it is not discussed further in this Decision.

<sup>3</sup> A financial institution providing the account to the cardholder 'issues' a card connected with that account, giving rise to the term 'issuer'. Final Merger Notice submitted to the CMA on 26 October 2025 (**FMN**), paragraph 130.

## 2. JURISDICTION

2. The Competition and Markets Authority (**CMA**) believes that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation. Each of FIS and TSYS is an enterprise; these enterprises will cease to be distinct as a result of the Merger; and the turnover test is met.<sup>4, 5</sup>

## 3. COUNTERFACTUAL AND MARKET DEFINITION

3. The CMA assessed the impact of the Merger against the prevailing conditions of competition.<sup>6</sup>
4. The CMA considered whether outsourced issuer processing for different types of cards (ie credit cards and debit cards) forms part of the same product market. The evidence received by the CMA indicates a lack of demand side substitution between different card types. Customers responding to the CMA explained that issuer processing requirements differ, in part because credit and debit cards are different financial products.<sup>7</sup> From a supply-side perspective, the evidence was mixed as to the extent to which competitive conditions and the competitor set are the same with respect to credit card and debit card issuer processing.<sup>8</sup> In light of this, the CMA defined separate product markets for outsourced credit card and debit card issuer processing.
5. The CMA also considered whether outsourced issuer processing should be segmented by size of customer. The evidence the CMA received was mixed. One competitor stated that the core parameters of competition do not vary across large and small issuers,<sup>9</sup> whereas other competitors and a large issuer suggested that demand side differences exist between them.<sup>10</sup> In addition, the Parties' internal

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<sup>4</sup> See the Enterprise Act 2002 s23. TSYS has a UK turnover in 2024 of approximately [X]. Converted from USD to GBP based on the Bank of England average exchange rate for calendar year 2024 (USD 1: GBP 0.7825).

<sup>5</sup> The Parties informed the CMA that the Merger is also the subject of review by competition authorities in Canada, Germany, Ireland, Pakistan, Saudi Arabia, and the United States. FMN, paragraph 92.

<sup>6</sup> See Section 3 of the [Merger Assessment Guidelines \(CMA129\)](#).

<sup>7</sup> Response to the CMA questionnaire, September 2025, question 3c. For example, one customer explained that credit cards are different to debit cards due to their lending capabilities and associated complexities. Response to the CMA questionnaire, September 2025, question 3c. Another customer explained that issuer processing solutions are tailored to each card type, therefore, the processing setup and functionality for each card type remains distinct and is generally not interchangeable. Response to the CMA questionnaire, September 2025, question 3c.

<sup>8</sup> On the one hand, all competitors responding suggested that conditions of competition for outsourced issuer processing for credit and debit cards are similar, and nearly all competitors indicated that their solutions can be used for credit and debit card issuer processing. On the other hand, other evidence indicated that conditions of competition differ between them, including material differences in competitors' shares of supply in credit and debit card issuer processing, and a greater role of in-house processing for debit cards compared to credit cards. Response to the CMA questionnaire, September 2025, questions 2 and 7 and Note of a call with a third party, August 2025, paragraphs 8 and 9.

<sup>9</sup> Response to the CMA questionnaire, September 2025, questions 2 and 7.

<sup>10</sup> For example, large issuers only consider suppliers that have a strong reputation for processing large card portfolios, while smaller issuers typically value speed to market. Responses to the CMA's questionnaire, September 2025, question 11. Note of the call with a third party, August 2025, paragraphs 11 to 13.

documents identify distinct customer groups with reference to size.<sup>11</sup> Given the mixed evidence, the CMA has not segmented by customer size, but has considered different potential customer segments where relevant in the competitive assessment.

6. The Parties submitted that in-house debit issuer processing is an important constraint to outsourced debit issuer processing.<sup>12</sup> The CMA found however that the majority of customers did not consider in-house processing to be a viable alternative to outsourced debit issuer processing.<sup>13</sup> In light of this, the CMA has not widened the product market for outsourced debit issuer processing to include in-house issuer processing, but has considered it as a potential out-of-market constraint in the competitive assessment.<sup>14</sup>
7. The CMA considered the geographic market to be national in scope.<sup>15</sup>

## 4. COMPETITIVE ASSESSMENT

8. In view of the Parties' overlaps and the market definitions above, the CMA focused its investigation on the potential for horizontal unilateral effects of the Merger in relation to: (i) the supply of outsourced credit card issuer processing in the UK; and (ii) the supply of outsourced debit card issuer processing in the UK.

### 4.1 Supply of outsourced credit card issuer processing in the UK

9. The CMA found that the Merger would not give rise to a realistic prospect of an SLC as a result of horizontal unilateral effects in the supply of outsourced credit card issuer processing in the UK.
10. The CMA estimated shares of supply for 2024 based on revenue data from the Parties and third parties. These estimates showed that TSYS is the largest supplier with [70-80]% followed by Fiserv with a share of [20-30]%. In contrast, FIS has a very small share of only [0-5]%, and post-Merger the Merged Entity would have a share of [70-80]% with a very small increment. Other competitors include New Day and Paymentology, each with a minimal share of [0-5]% and [0-5]% respectively. Marqeta, Pismo, Thought Machine and Thredd (previously GPS)

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<sup>11</sup> For example, FIS internal document, FIS\_IE00000934, [REDACTED], January 2025, page 9 and 47; and TSYS internal document, GPY-00000381, [REDACTED], March 2023, page 33.

<sup>12</sup> FMN, paragraphs 240 to 245 and Appendix 1 'Established banks' incentives to prefer insourcing of debit processing'.

<sup>13</sup> Responses to the CMA's questionnaire, September 2025, questions 6d.

<sup>14</sup> In doing so, the CMA took into account the Parties' submission that two banks (Monzo and Revolut) in the past have moved debit issuer processing in-house after previously outsourcing. FMN, paragraph 244. In addition, some customers considered in-house processing as an alternative option to outsourced debit issuer processing. Responses to the CMA's questionnaire, September 2025, questions 6d.

<sup>15</sup> This is consistent with the CMA's prior decisional practice, see ME/6814/19 [Anticipated acquisition of First Data Corporation by Fiserv, Inc.](#) Third parties also indicated that regulatory differences exist between the UK and the European Economic Area (EEA). Responses to the CMA's questionnaire, September 2025, questions 9. Note of the call with a third party, August 2025, paragraph 4.

were also identified as potential competitors, but revenue data was not available to calculate their shares of supply.<sup>16</sup>

11. While the market is heavily concentrated and TSYS is the largest supplier by a significant margin, the increment from the Merger is very small, and as discussed further below, the CMA found that the Parties do not compete closely. For large issuers FIS is not seen as a strong competitor to TSYS, where TSYS primarily competes with Fiserv, while for smaller sized issuers the CMA found that the Parties face competition from multiple small cloud-native issuer processors.
12. The Parties' customer lists show their customer base differs significantly.<sup>17</sup> TSYS has [REDACTED] customers, including the largest credit card issuers in the UK. By contrast, FIS has [REDACTED] customers, all of which are small credit card issuers. The bidding data showed that the Parties rarely meet, with the Parties overlapping in only [REDACTED] out of [REDACTED] opportunities.<sup>18</sup> The bidding data also showed that FIS is much less active in outsourced credit issuer processing, participating in only [REDACTED] of the [REDACTED] opportunities, while TSYS participated in [REDACTED].
13. The Parties' internal documents showed that they monitor multiple competitors. TSYS documents indicate that it views Fiserv rather than FIS as its closest competitor, with Fiserv being monitored frequently and the focus in multiple documents. For example, one UK document which discusses credit and debit issuer processing notes Fiserv as a strong competitor, highlighting a high proportion of the issuer processing market is covered by TSYS and Fiserv.<sup>19</sup> This same document also identifies Fiserv and cloud native competitors as threats in credit card issuer processing. Where FIS is monitored by TSYS, this is primarily either alongside a range of other competitors such as Fiserv, New Day, as well as cloud native competitors such as Enfuce, Marqeta and Paymentology,<sup>20</sup> or in relation to the Parties' activities across a broader range of services (eg issuer processing overall and/or core banking services).<sup>21</sup> FIS documents track a range of competitors including TSYS, Fiserv, Thredd (previously GPS), Marqeta and

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<sup>16</sup> Responses to the CMA's questionnaire, September 2025, question 11.

<sup>17</sup> Annex 9 to the FMN, Parties' customer lists.

<sup>18</sup> The Parties' bidding data covered UK opportunities for the period 2022-2024. Annex 7 to the FMN, Bidding data. The CMA notes that the bidding data has certain limitations: (i) it does not include opportunities for large credit card issuers (due to the fact that large issuers typically enter into long term contracts of [REDACTED]); and (ii) only a small proportion of the Parties' UK revenues in 2024 is captured by the dataset (in part due to the significant number of long term contracts with large issuers that make up TSYS' revenues). The bidding data nonetheless provides a useful indicator of the closeness of competition between the Parties for smaller credit card issuers. For closeness of competition between the Parties for large credit card issuers, the CMA has instead relied on other sources of evidence.

<sup>19</sup> TSYS internal document, GPY-00000590, December 2024, page 8. See also TSYS internal document, GPY-00000412, [REDACTED], February 2024; and TSYS internal document, GPY-00001552, [REDACTED], February 2024.

<sup>20</sup> Eg [REDACTED] document for issuer processing mentions FIS, Fiserv, and New Day as [REDACTED]. TSYS internal document, GPY-00000826, [REDACTED], March 2025, page 9; and one [REDACTED] document identifies FIS and more than 10 suppliers including Fiserv, Enfuce, Marqeta, New Day, and Paymentology as competitors in the UK or EU market. TSYS internal document, GPY-00001514, [REDACTED], September 2025, pages 7, 11-16 and 21-24.

<sup>21</sup> For example, one [REDACTED] document discussing issuer processing mentions Fiserv and FIS as issuer processing competitors. The document explains that [REDACTED]. However, [REDACTED]. TSYS internal document, GPY-00000565, [REDACTED], November 2024, page 6.

Worldline in relation to both credit and debit issuer processing.<sup>22</sup> Both Parties' documents also reference the growing importance of cloud-based issuer processing as issuers seek to modernise their issuer processing solutions, and the growing threat from cloud-native competitors.<sup>23</sup>

14. The CMA obtained views about the market from large and small credit card issuers. All large credit card issuers named TSYS and Fiserv as the two main options in the market best suited to processing large scale credit card portfolios.<sup>24</sup> Most large credit card issuers did not view FIS as an alternative to TSYS,<sup>25</sup> with FIS noted as lacking proven capabilities for large scale credit card portfolios.<sup>26</sup> Regarding smaller issuers, while some considered the Parties to be credible alternatives to each other, all smaller issuers named other credible alternatives available to them including Fiserv and smaller cloud-native processors such as Enfuce, Maqueta, Paymentology, Pismo and Thredd (GPS).<sup>27</sup>
15. The CMA also considered whether recent investments made by FIS, specifically in its Payments One Card (P1C) solution, and its partnership with Episode 6 (E6), a cloud-native supplier, announced in June 2025, could have resulted in FIS becoming a closer competitor to TSYS in the future absent the Merger. The CMA found that FIS' investments had improved its P1C product and the E6 partnership further improves FIS' offering with the addition of cloud capabilities. However, the available evidence did not indicate that these steps would be sufficient to address FIS' lack of scale or credibility with large credit card issuers.<sup>28</sup> The CMA did not therefore consider that FIS was likely to become a substantially closer competitor to TSYS absent the Merger.

## 4.2 Supply of outsourced debit card issuer processing in the UK

16. The CMA found that the Merger would not give rise to a realistic prospect of an SLC as a result of horizontal unilateral effects in the supply of outsourced debit card issuer processing in the UK. The available evidence indicated that the

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<sup>22</sup> For example, one FIS document discussing the UK market highlights TSYS, Fiserv, Worldline, Marqeta and Thredd (previously GPS) as FIS' competition. FIS internal document, FIS\_IE00000934, [REDACTED], January 2025, page 9 and 25.

<sup>23</sup> For example TSYS internal document, TSYS Annex FMN 9.0003, [REDACTED], July 2024, page 63; FIS internal document, FIS\_IE00000174, [REDACTED], October 2023, page 2; TSYS internal document, TSYS Annex FMN 9.041, [REDACTED], December 2023, page 8; and FIS internal document, FIS\_IE00000677, [REDACTED], February 2025, page 5. One third party also told the CMA that the shift from data centre-based services to cloud-based solutions is a significant trend in the market and that cloud readiness is increasingly a competitive factor in the market. Note of the call with a third party, September 2025, paragraph 11.

<sup>24</sup> Responses to the CMA's questionnaire, September 2025, question 7. Responses to the CMA's short questionnaire, August 2025. Note of the call with a third party, July 2025, paragraphs 13 and 21.

<sup>25</sup> Responses to the CMA's questionnaire, September 2025, question 7. Responses to the CMA's short questionnaire, August 2025. Note of the call with a third party, July 2025, paragraphs 13 and 21.

<sup>26</sup> Note of the call with a third party, July 2025, paragraph 21. Responses to the CMA's short questionnaire, August 2025.

<sup>27</sup> Responses to the CMA's questionnaire, September 2025, question 7. Note of the call with a third party, August 2025, paragraph 9, 21 to 23.

<sup>28</sup> For example, one FIS internal document discussing the E6 partnership strategy suggested [REDACTED]. FIS internal document, Annex5-FIS-00000184, [REDACTED], May 2025, page 26. An earlier partnership document [REDACTED]. FIS internal document, Annex5-FIS-00000193, [REDACTED], June 2024, page 4.

Parties' combined share post-Merger would be only [10-20]%;<sup>29</sup> that the Parties are not particularly close competitors in outsourced debit issuer processing;<sup>30</sup> and that the Parties would face constraints in the market from Fiserv (the largest outsourced debit card issuer processor) as well as smaller issuer processors that predominantly serve smaller card portfolios.<sup>31</sup> The Parties also face a potential out-of-market constraint from large debit card issuers who are able to process in-house transactions they currently outsource.<sup>32</sup>

### 4.3 Third-party views about the Merger

17. Almost all customers and all competitors responding to the CMA's investigation expressed neutral or positive views of the Merger.<sup>33</sup>

## 5. DECISION

18. The CMA does not believe that it is or may be the case that the Merger may be expected to result in an SLC within a market or markets in the United Kingdom. The merger will **not be referred** under section 33 of the Act.

**Richard Flanagan**

Director, Mergers

Competition and Markets Authority

27 November 2025

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<sup>29</sup> Based on revenue shares for 2024 calculated by the CMA using submissions from the Parties and third parties.

<sup>30</sup> The analysis of the Parties' bidding data relating to outsourced debit card opportunities showed that the Parties met infrequently, overlapping in [X]. Annex 7 to the FMN, Bidding data. The Parties' customer lists showed the number and type of customers each Party has differs significantly. Annex 9 to the FMN, Parties' customer lists.

<sup>31</sup> The CMA's share of supply estimates based on revenue indicated Fiserv's share of supply is [80-90]%, and Paymentology and Worldline each have a share of [0-5]% and [0-5]% respectively. Responses to the CMA's questionnaire, September 2025, question 11. A small number of the Parties' debit issuer processing customers that responded named the Parties as alternatives to each other. However, other alternatives such as Thredd, Marqeta, Clowd9, Enfuze and Tietoevry were each mentioned by at least one customer. Additionally, customers of other issuer processors responding to the CMA's investigation mentioned FIS/E6, Paymentology and Thredd as credible alternatives to their current provider more often than they mentioned TSYS, who was mentioned only once. Responses to the CMA's questionnaire, September 2025, question 6.

<sup>32</sup> The CMA investigation found that, consistent with the Parties' submissions, established debit card issuers undertake issuer processing in-house. While some debit card issuers responding to the CMA indicated switching to processing transactions in-house was not an option they would consider, other customers suggested they would consider doing so. As such the CMA concluded that a potential out-of-market constraint existed. Responses to the CMA's questionnaire, September 2025, question 6d.

<sup>33</sup> Responses to the CMA's questionnaire, September 2025, question 9. Responses to the CMA's questionnaire, September 2025, question 13. A minority of customers expressed concerns with the Merger. (i) One customer raised concerns that the Merger reduces choice in the market. However, most other customers responding to the CMA were of the view that sufficient credible alternatives would exist post-Merger. (ii) One customer suggested combining volumes of the Parties would drive synergies that benefit customers, but also suggested this would make it difficult for competitors to compete with the Parties. However, given FIS' relative size in issuer processing, the CMA did not consider that the Merger materially increases TSYS' scale. (iii) One customer raised a concern unrelated to the impact of the Merger on competition. Responses to the CMA's questionnaire, September 2025, question 9.