
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

October 8, 2009

Alliance Data Systems Corporation

(Exact name of registrant as specified in its charter)

Delaware

001-15749

31-1429215

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

17655 Waterview Parkway, Dallas, Texas

75252

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(972) 348-5100

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01 Regulation FD Disclosure.

On October 8, 2009, Alliance Data Systems Corporation provided to market analysts an IR Update announcing that its Epsilon business has signed a new multi-year agreement with the second-largest tobacco company in the United States, R.J. Reynolds Tobacco Company, to host its consumer database and support its consumer communication programs. A copy of this IR Update is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 IR Update dated October 8, 2009 announcing an agreement with R.J. Reynolds Tobacco Company.

Note: The information contained in this report (including Exhibit 99.1) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Alliance Data Systems Corporation

October 8, 2009

By: *Edward J. Heffernan*

Name: Edward J. Heffernan

Title: President and Chief Executive Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	IR Update dated October 8, 2009 announcing an agreement with R.J. Reynolds Tobacco Company.

October 8, 2009

Alliance Data's Epsilon Signs Expansion and Renewal Agreements with R.J. Reynolds Tobacco Company

Alliance Data's Epsilon business announced today that it has signed a new multi-year agreement with the second-largest tobacco company in the United States, R.J. Reynolds Tobacco Company, to host its consumer database and support its consumer communication programs. Additionally, Epsilon will continue providing age-restricted, permission-based email marketing services for the company.

R.J. Reynolds Tobacco Company makes many of the nation's best-selling tobacco brands and provides adult tobacco consumers with high-quality products. The company was founded in 1875.

Since 2004, Epsilon has been providing permission-based email marketing services to help R.J. Reynolds communicate with age-verified, adult consumers of tobacco products. Under the terms of the expansion agreement, Epsilon will now host R.J. Reynolds' consumer database, which includes supporting its consumer communications program to enable them, within industry guidelines and governmental restrictions, to communicate with age-verified adult tobacco consumers interested in current and recently-launched products.

The goals of the program are to increase market share among existing adult tobacco consumers and raise their awareness of R.J. Reynolds' recently-launched cigarette and smokeless tobacco products. Epsilon's activities will leverage appropriate touch points including R.J. Reynolds' age-restricted brand websites, its 1-800# customer contact center, coupon redemption in eligible states, sweepstakes in eligible states, and more. The solution provided by Epsilon integrates the web and call center touch points in real-time to support an adult tobacco consumer's desired level of interaction with R.J. Reynolds. Epsilon's team will also provide analytic services to R.J. Reynolds.

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