
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):

January 11, 2011

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.)

7500 Dallas Parkway, Suite 700, Plano, Texas

75024

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(214) 494-3000

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 January 11, 2011, Alliance Data Systems Corporation issued a press release announcing that its Epsilon subsidiary has signed a multi-year renewal and expansion agreement with Kansas City, Missouri-based Helzberg Diamonds. A copy of this press release is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Press release dated January 11, 2011 announcing an agreement with Helzberg Diamonds.

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

January 11, 2011

By: *Charles L. Horn*

Name: Charles L. Horn

Title: Executive Vice President and Chief Financial Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated January 11, 2011 announcing an agreement with Helzberg Diamonds.

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**HELZBERG DIAMONDS RENEWS AND EXPANDS RELATIONSHIP WITH EPSILON FOR
MULTICHANNEL MARKETING
SUPPORT**

*Epsilon to Continue Providing Consumer Database Marketing Services; Expands Relationship to
Now Include Strategic Data Services*

DALLAS, Texas (Jan. 11, 2011) – Alliance Data Systems Corporation (NYSE: ADS), a leading provider of loyalty and marketing solutions derived from transaction-rich data, today announced that its Epsilon subsidiary has signed a multi-year renewal and expansion agreement with Kansas City, MO.-based Helzberg Diamonds, a trusted diamond jeweler since 1915.

One of the nation’s leading fine jewelry retailers, Helzberg Diamonds operates 234 stores across the United States as well as an online store, and is a wholly owned subsidiary of Berkshire Hathaway, Inc.

Under the terms of the renewal agreement, Epsilon will continue to support multichannel direct marketing efforts focusing on customer acquisition and reactivation, retention, and cross-selling. A client since 2007, Epsilon will continue hosting and managing Helzberg Diamonds’ customer marketing database. Specific services include data management, marketing campaign planning, campaign execution and reporting, and analytic services to support customer profiling and targeting efforts, all of which improves customer targeting, retention and marketing ROI.

In addition to these services, Helzberg Diamonds will now also leverage Epsilon’s TargetPlus™ file, which provides rich demographic data used to further optimize Helzberg Diamonds’ multi-channel marketing efforts through micro-targeting of customer segments. This data source will provide a more complete profile of Helzberg Diamonds’ customers and enable them to better target and personalize communications.

“Epsilon has been an extremely valuable partner for the last few years, and we look forward to continuing to work together and evolve our marketing strategies to meet the changing marketplace,” said Beryl Raff, Chairman and CEO of Helzberg Diamonds. “We are pleased with Epsilon’s flawless execution, unparalleled support, and deep understanding of our marketing initiatives.”

According to Bryan Kennedy, president of Epsilon, “Helzberg Diamonds is a progressive retailer that truly embraces customer-centric marketing. Epsilon is uniquely positioned to provide the technology and vehicles, such as the data and marketing platform, to enable Helzberg Diamonds to create greater value for customers across multiple channels.”

About Helzberg Diamonds

Helzberg Diamonds®, a retail and online jewelry store focused on customer service, was founded in 1915 and has over 230 stores nationwide, featuring a wide selection of fine jewelry, including diamond engagement rings and wedding rings, precious gems and watches. Helzberg Diamonds takes pride in its history of offering exceptional value, exclusive designs and timeless jewelry. Helzberg Diamonds is based in North Kansas City, Mo., and is part of the Berkshire Hathaway, Inc. (NYSE symbol BRK/B) family of companies. For the locations nearest you, call 1-800-HELZBERG (800-435-9237) or <http://www.helzberg.com>.

About Epsilon

Epsilon is the industry’s leading marketing services firm. Ad Age ranks Epsilon #1 U.S. Direct Marketing Agency. Services include strategic consulting, database and loyalty technology, proprietary data, predictive modeling and a full range of creative and interactive services including brand and promotional

development, web design, email deployment, search engine optimization and direct mail production. In addition, Epsilon is the world's largest permission-based email marketer. Epsilon is an Alliance Data company. For more information, visit www.epsilon.com or call 1.800.309.0505.

About Alliance Data

Alliance Data® (NYSE: ADS) and its combined businesses is North America's largest and most comprehensive provider of transaction-based, data-driven marketing and loyalty solutions serving large, consumer-based industries. The Company creates and deploys customized solutions, enhancing the critical customer marketing experience; the result is measurably changing consumer behavior while driving business growth and profitability for some of today's most recognizable brands. Alliance Data helps its clients create and increase customer loyalty through solutions that engage millions of customers each day across multiple touch points using traditional, digital, mobile and other emerging technologies. Headquartered in Dallas, Alliance Data employs approximately 7,400 associates at 50 locations worldwide.

Alliance Data is a leading provider of marketing-driven credit solutions, and is the parent company of Epsilon®, a leading provider of multi-channel, data-driven technologies and marketing services, and LoyaltyOne®, which owns and operates the AIR MILES® Reward Program, Canada's premier coalition loyalty program. For more information about the company, visit our web site, www.AllianceData.com, or you can follow us on Twitter at www.Twitter.com/AllianceData.

Alliance Data's Safe Harbor Statement/Forward Looking Statements

This release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements may use words such as "anticipate," "believe," "estimate," "expect," "intend," "predict," "project" and similar expressions as they relate to us or our management. When we make forward-looking statements, we are basing them on our management's beliefs and assumptions, using information currently available to us. Although we believe that the expectations reflected in the forward-looking statements are reasonable, these forward-looking statements are subject to risks, uncertainties and assumptions, including the anticipated effects of the CARD Act and those discussed in our filings with the Securities and Exchange Commission.

If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary materially from what we projected. Any forward-looking statements contained in this presentation reflect our current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. We have no intention, and disclaim any obligation, to update or revise any forward-looking statements, whether as a result of new information, future results or otherwise.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this presentation regarding Alliance Data Systems Corporation's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's Annual Report on Form 10-K for the most recently ended fiscal year. Risk factors may be updated in Item 1A in each of the Company's Quarterly Reports on Form 10-Q for each quarterly period subsequent to the Company's most recent Form 10-K.

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