
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):

July 13, 2006

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))
-

Item 7.01 Regulation FD Disclosure.

On July 13, 2006, Alliance Data Systems Corporation provided to market analysts an IR Update announcing that it has signed an agreement whereby its Epsilon Interactive business unit (formerly Bigfoot Interactive and DoubleClick Email Solutions) will provide email marketing services for Circuit City Stores, Inc. 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 July 13, 2006 announcing an agreement with Circuit City Stores, Inc.

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

July 13, 2006

By: *Edward J. Heffernan*

Name: Edward J. Heffernan

Title: Executive Vice President and Chief Financial Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	IR Update dated July 13, 2006 announcing an agreement with Circuit City Stores, Inc.

July 13, 2006

ALLIANCE DATA'S EPSILON SIGNS AGREEMENT WITH CIRCUIT CITY STORES, INC. TO PROVIDE PERMISSION-BASED EMAIL MARKETING SERVICES

- Alliance Data announced today that it has signed an agreement with Circuit City Stores, Inc., whereby its Epsilon Interactive business unit (formerly Bigfoot Interactive and DoubleClick Email Solutions) will provide email marketing services for Circuit City Stores, Inc. With 2005 sales of \$11.6 billion, Circuit City is a Fortune 500 company and one of the nation's leading multi-channel consumer electronic retailers.
- Under terms of the agreement, Epsilon Interactive will provide permission-based promotional message deployment and delivery optimization services to Circuit City via a proprietary email technology platform and email relay server. In phase two of the agreement, Epsilon Interactive will provide analytics and customer segmentation services to develop and deploy micro-targeted email marketing campaigns.
- Headquartered in Richmond, Va., Circuit City Stores, Inc. offers more than 300,000 products through the Circuit City website and operates 630 Circuit City Superstores across the United States.
- Through this agreement, Epsilon Interactive will provide Circuit City Stores, Inc. the following specific services:
 - High-volume campaign and deployment services, including managing all of Circuit City Stores, Inc. promotional messaging streams across a multi-million-name, permission-based email universe.
 - Delivery optimization services, including advanced list hygiene and robust email management and delivery reporting. In addition, Circuit City Stores, Inc. will utilize Epsilon Interactive's proprietary mail relay server, which includes real-time monitoring of sending rates and connection limits by individual ISPs/Web-based email clients to optimize the delivery of all messaging.
 - Epsilon Interactive will later provide more sophisticated email marketing communications services including the addition of dynamic content and customized communications based on needs, interests and behaviors of Circuit City's customers.

#