
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):
April 3, 2006

ALLIANCE DATA SYSTEMS CORPORATION

(Exact Name of Registrant as Specified in Charter)

DELAWARE
(State or Other Jurisdiction
of Incorporation)

001-15749
(Commission
File Number)

31-1429215
(IRS Employer
Identification No.)

17655 WATERVIEW PARKWAY
DALLAS, TEXAS 75252
(Address and Zip Code of Principal Executive Offices)

(972) 348-5100
(Registrant's Telephone Number, including Area Code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K 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
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act
-
-

ITEM 7.01. Regulation FD Disclosure

On April 3, 2006, Alliance Data Systems Corporation issued a press release announcing a ten-year contract renewal and expanded agreement with Goody's Family Clothing, Inc. to continue to provide private label credit card services, and through the expanded agreement, to provide an integrated co-brand credit card program. A copy of this press release is attached hereto as Exhibit 99.1.

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.

ITEM 9.01. Financial Statements and Exhibits

(d) Exhibits

<u>EXHIBIT NUMBER</u>	<u>DESCRIPTION</u>
99.1	Press release dated April 3, 2006 announcing a ten-year contract renewal and expanded agreement with Goody's Family Clothing, Inc.

SIGNATURES

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

Alliance Data Systems Corporation

Date: April 3, 2006

By: /s/ Edward J. Heffernan

Edward J. Heffernan
Executive Vice President and
Chief Financial Officer

EXHIBIT INDEX

**EXHIBIT
NUMBER**
99.1

DESCRIPTION

Press release dated April 3, 2006 announcing a ten-year contract renewal and expanded agreement with Goody's Family Clothing, Inc.



NEWS RELEASE

Contact: Alliance Data
Ed Heffernan
Analysts/Investors
972.348.5191
eheff@alldata.net

Shelley Whiddon — Media
972.348.4310
swhiddon@alldata.net

ALLIANCE DATA SIGNS 10-YEAR CONTRACT RENEWAL WITH GOODY'S; EXPANDS RELATIONSHIP TO INCLUDE CO-BRAND CREDIT CARD SERVICES

DALLAS, Texas, April 3, 2006 — Alliance Data Systems Corporation (NYSE: ADS), a leading provider of transaction services, credit services and marketing services, today announced it has signed a 10-year contract renewal and expanded agreement with Goody's, a leading retailer of women's, men's and children's fashions and accessories. Under terms of the agreement, Alliance Data will continue to provide private label credit card services, and through the expanded agreement, will now provide an integrated co-brand credit card program and corresponding program servicing. The new co-brand program will complement Goody's existing integrated private label credit card program, which Alliance Data has provided since 1999. Goody's operates more than 380 retail locations nationwide with online and in-store revenue of more than \$1.2 billion in 2005.

The co-brand credit card program will complement the retailer's existing private label credit card program, providing select customer segments with an alternate card choice for making purchases. As is consistent with the private label credit card program, the co-brand offering will be targeted to customers that meet Alliance Data's traditional credit quality standards. Using their Goody's co-brand credit card, cardholders will

automatically be enrolled in a points-based rewards program where cardholders will receive points for every dollar spent when shopping at Goody's, as well as for purchases made outside the brand.

"Renewing our agreement and expanding our relationship with Alliance Data is one pillar in our strategic plan," said Carmen Monaco, executive vice president of marketing/chief marketing officer for Goody's. "Over the course of our 7-year partnership, we have benefited from Alliance Data's significant industry expertise and flexible credit and marketing services to help us grow our business."

"We are delighted to expand our relationship with Goody's and believe this agreement reflects their confidence in Alliance Data's suite of integrated credit and marketing-based solutions," said Ivan Szeftel, president of Retail Services. "Both the co-brand and existing private label credit card programs will provide Goody's with the tools they need to engage a broader customer base, increase sales and strengthen customer loyalty with the brand."

About Goody's

With headquarters in Knoxville, Tennessee, Goody's is a retailer of moderately priced apparel for women, men, and children operating 382 stores in the 21 states of Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Mississippi, Missouri, North Carolina, Ohio, Oklahoma, Louisiana, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

www.goodysonline.com

About Alliance Data

Alliance Data (NYSE: ADS) is a leading provider of transaction services, credit services and marketing services, managing over 105 million consumer relationships for some of North America's most recognizable companies. Alliance Data creates and manages customized solutions that change consumer behavior and that enable its clients to build stronger, mutually beneficial relationships with their customers. Headquartered in Dallas, Alliance Data employs approximately 8,000 associates at more than 40 locations in North America, Europe and Asia. For more information about the company, visit its web site,

www.AllianceDataSystems.com.

Alliance Data's Safe Harbor Statement/Forward Looking Statements

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 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 news release 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 press release 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.

###