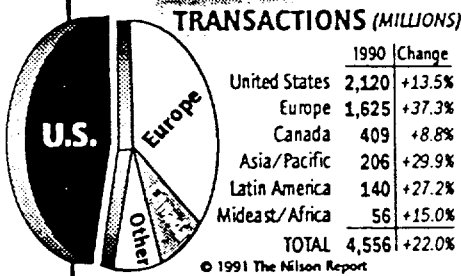
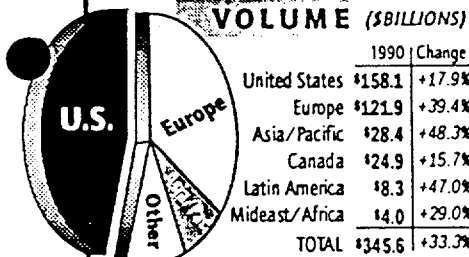
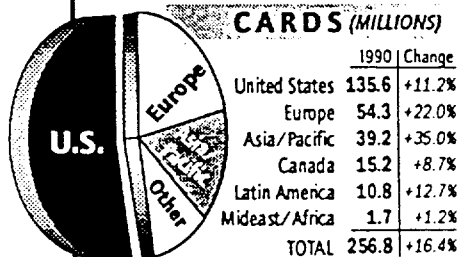


SINCE 1969 THE INDUSTRY'S LEADING NEWS AND ADVISORY SERVICE FOR CREDIT/DEBIT-CARD EXECUTIVES

BANK CARDS WORLDWIDE Charge volume on Visa and MasterCard credit cards totalled \$546 billion in 1990, up 29% over year-end 1989. Cards totalling 420 million increased 13% and transactions totalling 7.15 billion gained 15%. Bank ... (turn to page 4)

MULTINATIONAL GENERAL-PURPOSE CARDS Gross volume on general-purpose cards accepted in more than one country grew to \$701.5 billion at the end of 1990, up 25% from \$560.6 the previous year. These multinational cards, issued by ... (turn to page 4)

VISA 1990 Results by Region



VISA INTERNATIONAL Cards bearing the Visa logo topped 256 million at the end of 1990, up more than 16% over the prior year. Visa gross volume of nearly \$346 billion was up over 33% and nearly ... (turn to page 8)

LOW-INTEREST-RATE BANK CARDS Wachovia Card Services (formerly First Atlanta) is offering consumers a finance charge closer to the prime rate than any of the nation's other 30 largest ... (turn to next page)

BANK & GENERAL-PURPOSE CARDS WORLDWIDE

Visa International * Low-Interest Bank Cards

Mellon * 3rd 50 Bank Cards * U.S. Banknote * MBNA/SSBA

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U.S. BANKNOTE/THOMSON FORM IDMATICS U.S. Banknote of New York and Thomson CSF of France have agreed to form IDmatics International, ... (turn to page 6)

MELLON ACQUIRES DELAWARE TRUST CARDS Meridian Bancorp's Delaware Trust subsidiary has sold its \$282-million bank-card portfolio to ... (turn to next page)

TOP BANK CARDS - Part III The 150 largest issuers of MasterCard and Visa credit cards own 88% of outstandings, issue 89% of cards, and produce 85% of charge volume. Card issuers ranked 101 through 150 listed on page seven include ... (turn to page 6)

MBNA ACQUIRES SSBA PROCESSING MBNA America, which owns 87% of Southwestern States Bankcard Association (SSBA), will acquire the remaining 13%. MBNA is the third-largest owner of Visa and MasterCard outstandings in ... (turn to page 3)

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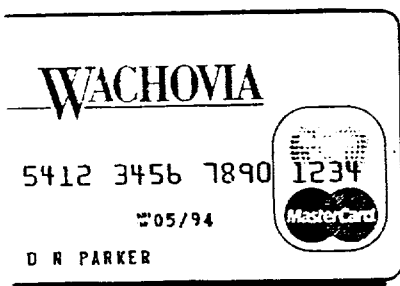
NCR/AT&T MERGER An all-stock transaction in which AT&T would acquire NCR for \$7.4 billion has been signed. It is subject to a review by the Securities & Exchange Commission that is expected to take about five months. NCR has 55,000 employees in 120 countries and AT&T has 273,000 employees in 42 countries. More information is available from Dick Grey at AT&T, (908) 221-5057, or Mike Feighery at NCR, (513) 445-2033. □

VISA VS. SEARS - Part V Closing arguments in Visa's appeal of a ruling that would force them to accept Sears as an issuing member, were made in the U.S. Court of Appeals, Tenth Circuit, Denver, Colorado on May 8. The three-member panel of judges has taken the matter under advisement rather than issue a decision from the bench, and no date has been set for the announcement of that decision. Prior issues: 496, 495, 494, 493 □

Mellon Acquires (from page 1) ... Mellon Bank — in two parts. Nearly \$198 million was in Delaware Trust's main portfolio of 225,000 active bank-card accounts (13% gold), sold for a premium in the 18% range. Meridian's pre-tax gain will be \$35.2 million. The banks later completed a separate deal for an \$85-million portfolio of American Automobile Association affinity cards and Mellon is negotiating to acquire the merchant card-processing contracts of Meridian's agent banks. Rick Weber is Exec. VP at Delaware Trust in Wilmington, (302) 421-7534.

Mellon's portfolio will grow to \$1.07 billion in outstandings with these acquisitions, improving its year-end 1990 ranking of 33rd largest in the country to 28th. Last year Mellon acquired \$110 million in outstandings from Ameritrust and another \$26 million from First National of Toms River (New Jersey). Kerry Ryan is Senior VP at Mellon Bank in Pittsburgh, (412) 234-5654. Prior issues: 490, 485, 474, 471, 459, 449 ff 25 □

Subscription and could bring penalties of up to \$10,000



Low Interest (from page 1) ... bank-card issuers. Wachovia's "Prime Plus" charges 2.9% over prime (11.4% based on the current 8.5% rate) with a \$39 annual fee for standard cards and \$49 for gold. This is not, however, the beginning of any major move towards more low-interest cards.

■ Low interest applies only to cards charging less than 16% on unpaid balances. Offering low interest is one of the few ways smaller local and regional issuers can compete with nationwide issuers who invade their territories by mail. But lower interest

rates produce less revenue from outstandings, so to make a profit, cards must either be issued selectively to reward local customers who maintain multiple banking relationships, or be limited to gold cards that have higher credit lines and charge about twice the average annual fee. The fee on Wachovia's new standard card is more than twice the national average and the gold card fee is 33% higher than average.

Low interest has traditionally been avoided by large issuers who solicit cards nationwide because it attracts too many undesirables — miserly bargain hunters who underspend and overspenders who contribute a disproportionate share of delinquencies and charge-offs.

■ High interest (18% and above) is something nobody advertises, but national card issuers who choose this pricing strategy perform a great consumer service by making bank cards available to about 11 million Americans who would be shut out of the bank-card system if low-interest cards were the only ones available. Acquiring and servicing out-of-state cardholders is costly and risky. To compete with local issuers, solicitations must have expensive enhancements and loss-leader giveaways such as no annual fees. To compensate for higher losses from bankruptcies and charge-offs to bad debt, reserves must be greater. To be profitable, nationwide solicitations must charge those cardholders with revolving balances at least 19% to subsidize the cost of servicing convenience users who pay in full within 30 days and won't pay over \$20 annually for a standard bank card.

Consumer Credit Card Rating Service (213/392-7720) reports only 48 members of Visa and MasterCard in the U.S. offer low-interest cards (24 standard and 41 gold) nationwide.

FAST FACTS

NEW PRODUCTS & SERVICES
CLASSIFIED ADVERTISING
CONFERENCES & SEMINARS
NAMES IN THE NEWS
JOB OPPORTUNITIES
POSITIONS WANTED

MAY
1991
ISSUE
29

FROM THE NILSON REPORT NEWS AND ADVISORY SERVICE FOR CREDIT/DEBIT-CARD EXECUTIVES WORLDWIDE

WACHOVIA BANK CARD SERVICES is the new name for First Atlanta's card operation. Jerry Craft is Exec. VP (404) 841-7501.

SEARS' lawsuit to issue Visa cards has received support in the form of friend-of-the-court briefs from the Resolution Trust Corporation and the American Financial Service Assn. RTC states that all assets of a failed institution are transferred to the buyer without approval from any other parties.

FIRST USA has purchased the 4,300-merchant portfolio of Dallas-based Team Bank. Annual bank-card volume of \$130 million comes from 2.5 million credit-card transactions. Pamela Patsley is Exec. VP, (214) 746-8380.

GE CAPITAL has acquired the \$1.4-billion credit-card portfolio of Macy Credit Corp. and Macy Receivables Funding Corp. Dan Porter is VP at GE Capital, (203) 357-3895.

MASTERCARD has officially opened its Midwest regional sales office in Chicago. Kristine Crow is Regional VP, (708) 449-4190.

VISA'S SUPERMARKET PROGRAM is being implemented at 66 King Soopers stores in Colorado. Rocky Mountain BankCard is the merchant bank. Armen Khachadourian is Dir. Supermarket Relations at Visa, (415) 570-3559. George Norris is Sr. VP at Rocky Mtn., (303) 620-7264.

DIGITAL SIGNATURES has been demonstrating its signature-capture and validation device (\$400 to \$1,500) attached to IBM electronic cash registers. The firm expects to have pilot tests with retailers and the IRS operating this year. Rod Beatson is VP, (301) 730-8250.

ARCO has raised its transaction fee for debit cards from 10¢ to 20¢ at gasoline stations in California. Bill Watt is Mktg. Mgr., (213) 486-0707.

CAPITAL RECOVERY ASSOCIATES should be added to Check Verification/Guarantee firms in Issue #488. Last year CRA verified \$754 million on 26.4 million checks averaging \$28.56 each from 25 merchant clients with 11,000 outlets. Thirty percent of the checks were guaranteed. Hap Seiders is Dir. Mktg., (717) 257-1350.

SOUTH CAROLINA is seeking bids for an electronic benefits transfer service. Leon Love is Director, So. Carolina Dept. of Social Services, (803) 737-5995.

SOUTHEAST SWITCH INC. has chosen **DELUXE DATA SYSTEMS'** Connex EFT software to process transactions for the entire expanded Honor network. Tom Bennion is Pres. of Honor (Southeast Switch), (407) 875-2500. Alan Brown is Pres. of Deluxe, (414) 357-2838.

JCPENNEY BUSINESS SERVICES has signed a renewal agreement with top EDC client Shell Oil. Robert Mooney is President of JCPenney, (214) 960-5100.

CCN MANAGEMENT SYSTEMS has sold its Transaction Management System (Trams) to Toronto Dominion Bank

and First Wisconsin National. Toronto Dominion will use Trams for Visa application processing and First Wisconsin will use it for transaction processing. Daniel Stavros is Pres. of CCN, (407) 339-8882.

SKYTELLER will use Transaction Communications Inc.'s terrestrial network to route satellite-delivered POS transactions. Michael Hrinko is Pres. of SkyTeller, (800) 673-1701. John McDonnell is Pres. of TCI, (703) 742-0500.

(Cont'd on back)

CONFERENCES & SEMINARS

AFSA ANNUAL: May 29 - June 1, Orlando, Florida at Hyatt Regency Grand Cypress. Est. attend. 500. Reg. \$870. Call Jessica Lott, American Financial Services Association, (202) 296-5544. **CBA - MANAGING CONSUMER CREDIT RISK:** June 18, Arlington, Virginia at Crystal Gateway Marriott Hotel. Est. attend. 200. Reg. \$525. Call Antigoni Ladd, Consumer Bankers Assn., (703) 726-1750. **S.W.I.F.T. INT'L BANKING OPERATIONS:** September 23 - 27, Wanchai, Hong Kong at Hong Kong Convention and Exhibition Centre. Est. attend. 2,000. Reg. \$1,758. Call Kristien Peelman, S.W.I.F.T., 32 (2) 655-3111.

JOB MART

COLONIAL NATIONAL BANK seeks Credit Card Marketing Director — Responsibilities include leading the new product development area, managing cardholder research, and supporting fee-based product marketing programs. Position requires 5 years of successful product management experience, direct mail and financial services experience, self motivation and enjoyment of fast-paced work. Job is based in northern suburban Philadelphia and reports to the VP of Marketing.

Credit Card Product Manager — Responsibilities include coordination, development and production of direct marketing acquisition campaigns. Position requires 5 years of marketing experience with 3 years in product management and strong management skills. Direct mail and financial services experience preferred. Job is based in the Horsham, Pennsylvania office of this subsidiary of Advanta Corp.

Call or send resume for either of the two above positions to Lydia Arakellan, Credit Card Human Resources, Advanta Corp., 550 Blair Mill Road, Horsham, Pennsylvania 19044, (215) 956-0600 ext. 7381.

THE MDS GROUP seeks Account Executive — Leading developer of scoring models and software for improved risk and project management for the credit industry seeks a self-motivated individual to handle accounts in the Northeast from expanding Wilmington, Delaware office. Organization, excellent written and verbal skills, 3 years sales experience and a BS/BA degree or equivalent experience in the credit industry a must. Send resume to Sales Director, The MDS Group, 945 East Paces Ferry Road, Suite 2600, Atlanta, Georgia 30326. (Cont'd on back)

MCJ6074031

JOB MART Continued . . .

LARGE MIDWEST PLASTIC CARD SERVICE BUREAU seeks President/Chief Operating Officer for Embossing Division -- Responsibilities include developing and implementing credit-card sales strategies. Must be an aggressive self-starter with experience in card operations. Please send resume to P. Velu, Embossing Division, P.O. Box 621, Downers Grove, Illinois 60515.

POSITION WANTED

TOP SALES MANAGER seeks to increase your company's sales revenues ... If I can have the opportunity to make over \$500,000/year in residual income in either bank-card processing, debit cards, check verification/recovery, or any other innovation transaction-based processing business. I am the number one sales manager in the country for a major Visa/MasterCard merchant processor and have acquired extensive industry knowledge in many different transaction-processing businesses. If your company has the entrepreneurial attitude which rewards top performers for what they are worth and is in need of an experienced sales manager with the ability to capture the marketplace with your product or service, please call me to discuss your company's services and possibly to arrange a mutually beneficial relationship. I can be the most important asset to your organization. Contact Mr. W. Clark, (212) 642-5974.

FAST FACTS Continued . . .

LYNX EFT network in New Mexico is introducing debit POS service to 800 merchant outlets. Melissa Balkcom is VP, (505) 765-2261.

NATIONAL DATA CORP. will authorize credit-card transactions for 800 Volkswagen and Audi car dealerships using a satellite network from V-Crest Systems. The satellite equipment comes from Scientific Atlanta where John Russell is Mkt. Mgr., (407) 255-3145. Kevin Shea is Gen. Mgr. at NDC, (404) 728-2290. Frank Berger is Gen. Mgr. at V-Crest, (313) 574-3541. Prior issue: ff 11

SMART CARDS (microprocessor type) in use worldwide are expected to total 500,000 by year-end. Jerry Svigals publishes *Smart Cards and Comments*, (415) 365-5920.

CONTROL DATA has established a new network delivery system for credit-card transactions. Merchants' electronic cash registers are linked to local nodes which transmit data to network headquarters in Cleveland. William Hanson is Network Planning Mgr., (216) 529-5238.

WELLS FARGO is processing Explore (Star System) transactions for Safeway. Currently 15 stores accept ATM cards for payment, with 220 stores in Northern California and western Nevada to be on-line by the end of summer. Debra Rossi is VP at Wells, (415) 746-4120. Nikki Shaw is VP at Star, (619) 234-4774.

VISA is giving cardholders an extra "Grand Prix" sweepstakes game piece each time they use their Visa card at one of Target discount stores' 420 outlets. Prizes range from \$20 in Visa travelers cheques to a new car. Dale Preuninger is Dir. Retail Mktg. at Visa, (415) 570-3893. John Pellegrine is Sr. VP at Target, (612) 370-5816.

CITICORP'S latest card securitization is an \$1.686 billion issue. Of that, \$186 million was subordinated class.

VERIFICATION TECHNOLOGIES is developing a low-cost PC-based photo-image smart card. Neil Fishman is President, (516) 752-0400.

SHARED FINANCIAL SYSTEMS' software now supports **NATIONAL TRANSACTION NETWORK'S** terminal for check verification, credit-card draft capture, direct debit, and ACH debit. Hugh Bursi is VP at SFS, (214) 458-3833. Michelle Graff is Prod. Mgr. at NTN, (508) 562-6500.

VERIFONE first-quarter 1991 net income was up 21% (\$2.7 million) from 1990. Revenues were up 13.5% to \$37.5 million. Thomas Hubbs is CFO, (415) 598-5548.

CHASE MANHATTAN first-quarter 1991 credit-card portfolio charge-offs were 4.12%, up from 3.50% at year-end. However, overall profits from credit cards were also up. David Cornell is Sr. VP, (212) 552-0126.

NEXUS PAYMENT SYSTEMS year-end 1990 income was \$14.9 million with after-tax profits of \$551,500. Rob Farbrother is Mng. Dir., 44 (707) 325-122.

SEARS' Dean Witter Group had first-quarter income of \$78.1 million, up 28.7% from 1990. Credit services operations contributed \$44.5 million of this income, up 23.6%.

AMERICAN CARD SERVICES is marketing an enhancement program to Visa and MasterCard issuers called "Take Charge! New England." Cardholders who belong to the program receive discounts of at least 10% at over 2,000 New England hotels, restaurants, stores and attractions. Carl Novotny is CEO, (617) 431-2272.

AMERICAN EXPRESS MERCHANDISE SERVICES' "Sweepstakes of Champions" will give cardholders who order merchandise a chance to win a \$10,000 credit on their account, tickets to four sporting events, and more. Stan Krangel is Pres., Merch. Servs., (212) 640-4505.

DONALD GIBBINS (708/888-6144), Senior VP at First Chicago, has been elected Chairman of Cash Station Inc.

FRED GORE (212/649-5241) has been named Vice President Acquirer Relations at MasterCard.

JOHN BLANCHARD (708/719-1188) has been named Chairman and CEO of Peach Tree Bancard Corp.

JOSEPH SCHULER (301/770-1561), formerly Gen. Mgr. of DataCard's Smart Card Division, is now Pres. of GemPlus Card International Corporation.

RICHARD REAY-SMITH (44/604/254-852) has been chosen CEO of Barclays Bank Central Retail Services Division.

JOHN COCHRAN (302/453-6334), **RONALD DAVIES** (302/453-2194), **BRUCE HAMMONDS** (302/453-6335), and **HARRY PAPPAS** (302/453-2159) have been elected Vice Chairmen of MBNA America Bank.

ROBERT BURKE (302/454-6109) has been appointed Chairman of The Bank of New York (Delaware).

JURGEN DETHLOFF (49/40/803-046) has been named Permanent Advisor to the Deutsche Bundespost Telekom General Directorate for smart-card innovations, applications and business development.

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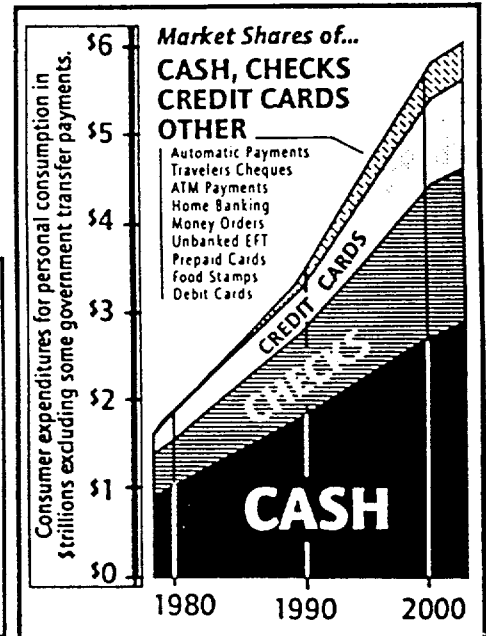
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■ **Beyond Gold Cards.** The first large issuer willing to break these rules will get a lot of favorable press plus some new customers by introducing an upscale "Prime Rate Supercard." It would have variable interest equal to the prime and an annual fee in the \$75 range — loaded with even more enhancements and financial services than gold bank cards or American Express. Amex has 15 million customers in the U.S. alone who pay from \$55 to \$75 annually (plus \$25 per add-on) for 30-day charge cards, and over one-fourth of those pay another \$15 to get a separate "Optima" card for revolving credit. These are the customers banks should be romancing because most Amex cardholders also carry at least one bank card and yet pay the nation's highest fees to use American Express cards on which they spend twice as much. □

PAYMENT SYSTEMS PROJECTED The 1980 figure for credit-card spending of \$189.6 billion and market share of 10.8% shown here corrects the \$52.4 billion and 3.3% market share shown in issue 497. Other revisions to previously published figures are: Decreases in credit-cards 1990 and 2000 to exclude cash advances ... Increases in cash for all three years to include credit-card cash advances. For further details on consumer payment systems and how they relate to government economic indicators including consumer expenditures for personal consumption, see issues 497 and 481. □

U.S. Consumer Payment Systems						
PAYMENT SYSTEM	1980		1990		2000	
	SPENDING (\$Bil.)	% OF TOTAL	SPENDING (\$Bil.)	% OF TOTAL	SPENDING (\$Bil.)	% OF TOTAL
CASH	\$ 934.4	53.4%	\$ 1,612.1	47.7%	\$2,687.0	46.8%
CHECKS	\$ 540.0	30.9%	\$ 1,188.1	35.2%	\$1,807.8	31.5%
CREDIT CARDS	\$ 189.6	10.8%	\$ 446.5	13.2%	\$ 875.0	15.2%
DEBIT CARDS	\$0.4	< 0.0%	\$ 10.6	0.3%	\$ 142.8	2.5%
OTHER	\$84.7	4.8%	\$ 121.8	3.6%	\$ 234.5	4.1%
TOTAL	\$1,749.1	100%	\$3,379.1	100%	\$5,747.1	100%

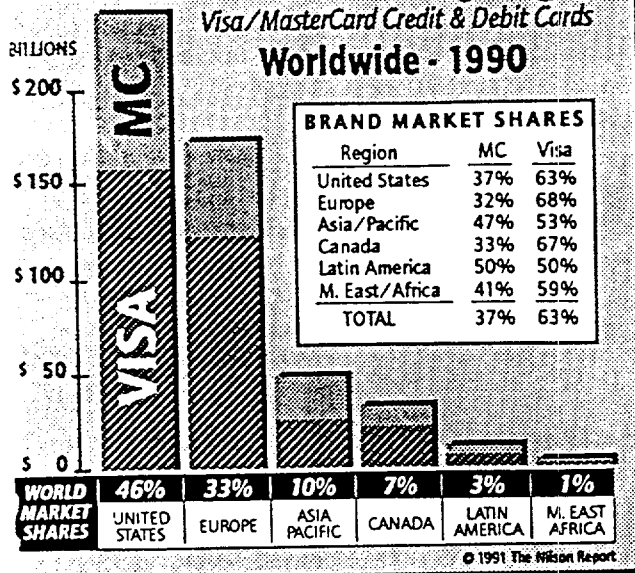
Total = Consumer expenditures for personal consumption excluding some government TRANSFER PAYMENTS. © 1991 The Nilson Report



MBNA Acquires (from page 1) ... the country with \$7.4 billion. SSBA is the country's fourth-largest third-party bank-cardholder processor after FDR, Total Systems, and Banc One. About 50% of SSBA's 10 million bank-card accounts on file belong to MBNA, but the association also processes for 32 other issuers including JC Penney National (ranked 48th), Crestar Bank (ranked 50th), and Town North National (ranked 58th). It provides merchant processing support to more than 450,000 outlets. MBNA will expand SSBA's sales force to acquire new bank-card business and to push harder into installment loans, printing, embossing and service-bureau work for banks and other industries. SSBA was formed in 1968 and employs nearly 1,000 people in Dallas, Texas and Newark, Delaware where MBNA is headquartered. After regulatory approval, MBNA will change SSBA's status from a not-for-profit Texas corporation to a for-profit Delaware corporation. Bob Hallmark, Chairman, will continue to operate SSBA in Dallas, (214) 233-7101.

MBNA bought the remaining stake in SSBA with cash on hand from a recent initial public offering. At least 95% of SSBA equity members will sign long-term contracts with the company after selling their shares to MBNA. In January, former parent MNC Financial Corp. completely divested itself of the bank-card subsidiary. Approximately 82% of MBNA's stock is publicly traded. Initially offered at 22½ MBNA stock, which trades under the initials KRB, is selling at 28¼. Ronald Davies is Vice Chairman of Information Services at MBNA America in Newark, Delaware, (302) 436-8535. Prior issues: 491, 487, 486 □

BANK-CARD SPENDING By Region



Bank Cards (from page 1) ... cards were accepted for payment by over nine million merchants, ATMs, and branch offices in most of the world's 217 countries, territories, and possessions.

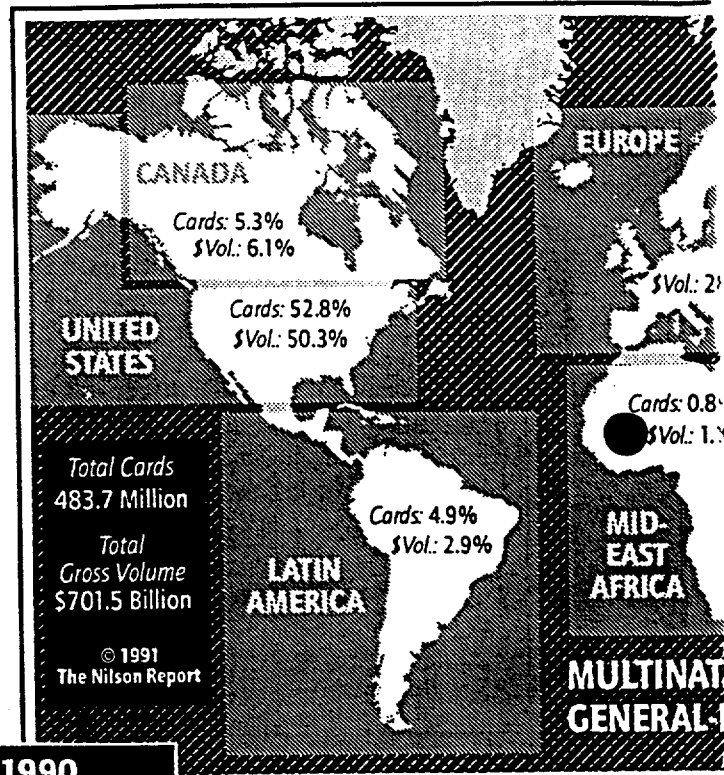
■ **Gross Volume.** Visa's 21,600 principal and affiliate members worldwide had 63% of gross volume on bank cards led by Europe (68%), Canada (67%), United States (63%), Middle East/Africa (59%), and Asia/Pacific (53%). In Latin America, Visa was tied with MasterCard.

■ **Cards.** Over 61% of bank cards issued worldwide carried the Visa logo which had the dominant market share in Europe (70%), Canada (65%), U.S. (60%),

Asia/Pacific (57%), and Middle East/ Africa (53%). In Latin America, Visa was tied with MasterCard.

■ **Transactions.** Visa had 64% of the world total led by Europe (68%), Canada (65%), U.S. (63%), and Asia/Pacific (58%). MasterCard had the dominant share in Middle East/Africa (55%) and Latin America (51%).

■ **Summary.** Compared to the other five international regions combined, the United States led only in card-issuance at 54%. In other main categories, the U.S. accounted for 46% of transactions, 46% of gross volume, and 33% of merchant outlets that accepted bank cards. By the end of 1990, Europe and Asia/Pacific regions will likely have as many merchant locations as the U.S. □



BANK CARD RESULTS WORLDWIDE -- 1990

1990		TOTAL	UNITED STATES	EUROPE	ASIA/PACIFIC	CANADA	LATIN AMERICA	M. EAST AFRICA
SPENDING (per Card)	Visa	\$1,346	\$1,169	\$2,243	\$724	\$1,638	\$769	\$2,666
	MasterCard	\$1,226	\$1,034	\$2,530	\$832	\$1,503	\$758	\$2,730
CARDS (Millions)	Visa	668	135.6	272	192	152	108	1.7
	MasterCard	632	90.1	277.5	300	82	107	1.5
	TOTAL	1,300	225.7	549.5	492	234	215	3.2
TRANSACTIONS (Millions)	Visa	4,556	2,120	1,625	206	409	140	56
	MasterCard	2,591	1,233	762	147	219	171	59
	TOTAL	7,147	3,353	2,387	353	628	311	115
GROSS VOLUME (\$Billions)	Visa	\$345.6	\$158.1	\$121.9	\$28.4	\$24.9	\$8.3	\$4.0
	MasterCard	\$200.1	\$93.1	\$58.6	\$25.0	\$12.4	\$8.2	\$2.8
	TOTAL	\$545.7	\$251.2	\$180.5	\$53.4	\$37.3	\$16.5	\$6.8

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General-Purpose Cards (from page 1) ... financial institutions and nonfinancial companies with subsidiaries and franchises around the world, include: Bank Cards, Visa and MasterCard, Travel & Entertainment Cards from American Express, JCB, Discover Club/Carte Blanche, and Travel Service from EnRoute, Air Travel, AirPlus, and PassAge. They are accepted by all types of merchants in over 85% of the world's countries.

■ **Bank Cards.** Visa International controlled over 49% of all spending on multinational bank cards. Last year it took market share from

Again,
led by
Asia Pacific
MasterCard/
national
cards with
total for 47%
of merchant
1993,
as many

of its competitors. MasterCard's 29% share of gross volume added to Visa's gave bank cards 78% of total spending, up from 75% at the end of 1989.

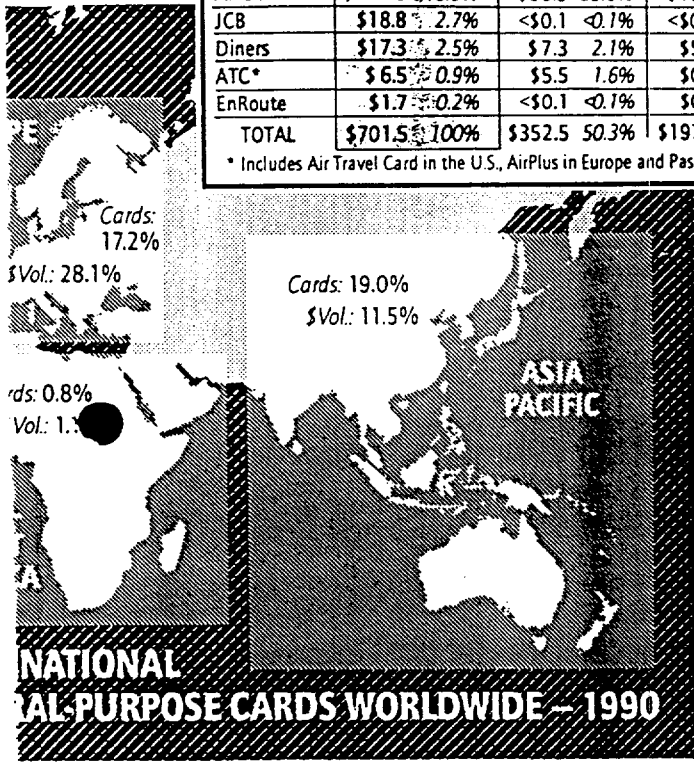
Visa issued 53% of all multinational general-purpose cards and MasterCard issued 34%, giving bank cards an 87% share of the total market. Bank cards are issued by financial institutions in 84 countries. Principal and affiliate institutions that participate in Visa and MasterCard total 30,000. Rapidly expanding bank cards differ

Multinational General-Purpose Card SPENDING by Region Bank Cards, Travel & Entertainment Cards, Travel Service Cards

	TOTAL (Bil.) Share	U.S. (Bil.) Share	EUROPE (Bil.) Share	ASIA/PACIFIC (Bil.) Share	CANADA (Bil.) Share	LATIN AMERICA (Bil.) Share	M.E./AFRICA (Bil.) Share
Visa	\$345.6 49.3%	\$158.1 44.9%	\$121.9 61.9%	\$28.4 35.1%	\$24.9 57.9%	\$8.3 41.1%	\$4.0 50.0%
MasterCard	\$200.1 28.5%	\$93.1 26.4%	\$58.6 29.7%	\$25.0 30.9%	\$12.4 28.8%	\$8.2 40.6%	\$2.8 35.0%
Amex	\$111.5 15.9%	\$88.3 25.0%	\$10.2 5.2%	\$5.9 7.3%	\$3.7 8.6%	\$2.5 12.4%	\$0.9 11.3%
JCB	\$18.8 2.7%	<\$0.1 <0.1%	<\$0.1 <0.1%	\$18.6 23.0%	\$0.0 -	\$0.0 -	\$0.0 -
Diners	\$17.3 2.5%	\$7.3 2.1%	\$5.4 2.7%	\$2.7 3.3%	\$0.4 0.9%	\$1.2 5.9%	\$0.3 3.7%
ATC*	\$6.5 0.9%	\$5.5 1.6%	\$0.8 0.4%	\$0.2 0.2%	\$0.0 -	\$0.0 -	\$0.0 -
EnRoute	\$1.7 0.2%	<\$0.1 <0.1%	\$0.0 -	\$0.0 -	\$1.6 3.7%	\$0.0 -	\$0.0 -
TOTAL	\$701.5 100%	\$352.5 50.3%	\$197.0 28.1%	\$80.8 11.5%	\$43.0 6.1%	\$20.2 2.9%	\$8.0 1.1%

* Includes Air Travel Card in the U.S., AirPlus in Europe and PassAge in Japan.

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from all other brands as the only international consumer payment-system alternative to cash and checks. Their market share, anchored by an incomparable network of merchant outlets, ATMs and bank branch offices that exceeds nine million worldwide, will continue to improve over the years as all others decline. Prior issues: 496, 495

■ **Travel & Entertainment Cards.** American Express, largest travel & entertainment card company in the world, is also the world's most profitable credit-card company. Amex cards are accepted for payment in every country except Laos, Iran, Libya, Cuba, Vietnam, Cambodia, and North Korea. They are issued in 31 currencies in 102 countries through American Express, its subsidiaries, and joint-venture partnerships with local ... (see next page)

Multinational General-Purpose CARDS by Region Bank Cards, Travel & Entertainment Cards, Travel Service Cards

1990	TOTAL (Mil.) Share	U.S. (Mil.) Share	EUROPE (Mil.) Share	ASIA/PACIFIC (Mil.) Share	CANADA (Mil.) Share	LATIN AMERICA (Mil.) Share	M.E./AFRICA (Mil.) Share
Visa	256.8 53.1%	135.6 53.1%	54.3 65.2%	39.2 42.6%	15.2 59.4%	10.8 45.2%	1.7 45.9%
MasterCard	163.2 33.7%	90.1 35.3%	22.7 27.3%	30.0 32.6%	8.2 32.0%	10.7 44.8%	1.5 40.5%
Amex	36.5 7.5%	25.9 10.1%	4.1 4.9%	3.2 3.5%	1.8 7.0%	1.1 4.6%	0.4 10.8%
JCB	18.3 3.8%	<0.1 0.0%	<0.1 0.0%	18.1 19.7%	- -	- -	- -
Diners	6.9 1.4%	2.0 0.8%	2.0 2.4%	1.4 1.5%	0.1 0.4%	1.3 5.4%	0.1 2.7%
ATC*	1.7 0.4%	1.5 0.6%	0.1 0.1%	0.1 0.1%	- -	- -	- -
EnRoute	0.3 <0.1%	- -	- -	- -	0.3 1.2%	- -	- -
TOTAL	483.7 100.0%	255.2 52.8%	83.3 17.2%	92.0 19.0%	25.6 5.3%	23.9 4.9%	3.7 0.8%

* Includes Air Travel Card in the U.S., AirPlus in Europe and PassAge in Japan.

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THIRD 50 LARGEST BANK CREDIT-CARD ISSUERS IN THE U.S. -- 1990

1990 Rank	Issuer	Issued From	Active Accounts	Total Accounts	Total Cards	Charge Vol. (\$Bil.)	Out-standings (\$Bil.)	Cards	
								MasterCard	Visa
	Great Western (S&L)	Northridge, California	135,000	169,000	219,375	\$0.38	\$0.30	0	219,375
102	First Virginia	Falls Church, Virginia	133,000	195,000	301,000	\$0.23	\$0.16	177,000	124,000
103	Massachusetts Co. (NB)	Boston, Massachusetts	130,000	161,000	222,000	\$0.21	\$0.13	175,000	47,000
104	Prudential Bank & Trust (NB)	Atlanta, Georgia	129,649	144,054	224,722	\$0.18	\$0.20	78,653	146,069
105	Shawmut Bank (a)	E. Longmeadow, Mass.	126,000	259,300	316,000	\$0.43	\$0.23	268,600	47,400
106	Columbus Bank and Trust	Columbus, Georgia	125,155	150,524	195,417	\$0.24	\$0.12	21,900	173,517
107	First Security Bank	Salt Lake City, Utah	122,949	222,842	224,967	\$0.25	\$0.13	27,128	197,839
108	Rockland Trust	Rockland, Massachusetts	122,140	149,381	186,811	\$0.25	\$0.12	22,292	164,519
109	Connecticut National (a)	Hartford, Connecticut	121,500	255,700	329,853	\$0.40	\$0.20	263,882	65,971
110	Texas Independent Bank	Dallas, Texas	120,708	174,960	279,936	\$0.24	\$0.09	110,722	169,214
111	Union Trust & Savings	Shelton, Connecticut	108,716	125,943	168,613	\$0.21	\$0.12	105,087	63,526
112	Ohio Savings (S&L)	Cleveland, Ohio	108,531	132,584	163,723	\$0.18	\$0.15	47,591	116,132
113	First Signature Bank (NB)	Portsmouth, N. Hampshire	107,181	120,272	186,935	\$0.34	\$0.13	0	186,935
114	Manufacturers National	Detroit, Michigan	103,676	154,419	270,700	\$0.24	\$0.13	181,369	89,331
115	Central Bank of the South	Decatur, Alabama	103,312	128,443	201,353	\$0.19	\$0.15	134,736	66,617
116	Nat'l Westminster NJ	Jersey City, New Jersey	103,134	162,655	243,983	\$0.15	\$0.15	171,323	72,660
117	Banco Popular	San Juan, Puerto Rico	100,925	115,380	140,441	\$0.15	\$0.12	16,181	124,260
118	First Nat'l of Louisville	Louisville, Kentucky	99,844	134,315	112,543	\$0.18	\$0.09	89,859	22,684
119	Fidelity Bank	Wilmington, Delaware	97,708	127,453	161,232	\$0.22	\$0.14	161,232	0
120	Fidelity Trust Company (NB)	Salt Lake City, Utah	96,472	104,110	152,419	\$0.32	\$0.16	101,944	50,475
121	First Alabama	Montgomery, Alabama	96,000	138,000	181,000	\$0.20	\$0.09	123,000	58,000
122	First Nat'l of Albuquerque	Albuquerque, N. Mexico	95,265	121,299	153,708	\$0.16	\$0.10	32,321	121,387
123	Sunwest Bank	Albuquerque, N. Mexico	94,950	175,300	280,500	\$0.39	\$0.08	185,000	95,500
124	Pentagon Federal (CU)	Alexandria, Virginia	94,452	110,930	162,278	\$0.24	\$0.15	0	162,278
125	First Fidelity Bank	Newark, New Jersey	94,000	113,000	170,000	\$0.19	\$0.11	1,700	168,300
126	National City Bank	Cleveland, Ohio	92,840	143,590	165,856	\$0.26	\$0.10	103,642	62,214
127	First Hawaiian Bank	Honolulu, Hawaii	91,666	133,000	152,165	\$0.16	\$0.11	91,299	60,866
128	Bank One, Youngstown	Youngstown, Ohio	90,976	159,123	92,610	\$0.12	\$0.10	8,657	83,953
129	Far West Federal (S&L) (b)	Portland, Oregon	90,970	113,489	129,285	\$0.21	\$0.10	18,927	110,358
130	First Nationwide Bank (S&L)	Sacramento, California	88,700	113,328	138,928	\$0.31	\$0.07	0	138,928
131	Nat'l Bank of Commerce	Lincoln, Nebraska	81,021	97,909	131,126	\$0.13	\$0.06	62,543	68,583
132	Key Bank Albany	Albany, New York	80,700	102,500	179,400	\$0.16	\$0.10	128,600	50,800
133	Merchants National	Indianapolis, Indiana	80,000	105,000	143,000	\$0.14	\$0.10	100,000	43,000
134	Citizen's Bank	Riverside, Rhode Island	79,609	106,094	186,000	\$0.18	\$0.09	37,200	148,800
135	Old Kent Bank	Grand Rapids, Michigan	79,608	111,247	142,415	\$0.16	\$0.05	94,628	47,787
136	Davenport Bank	Davenport, Iowa	78,500	100,000	154,000	\$0.13	\$0.05	89,000	65,000
137	First Citizens Bank	Raleigh, North Carolina	78,324	114,831	160,763	\$0.14	\$0.06	102,315	58,448
138	Puget Sound Bank	Tacoma, Washington	77,000	91,000	136,000	\$0.20	\$0.09	0	136,000
139	Nat'l Bank of Commerce	Memphis, Tennessee	75,487	119,897	134,755	\$0.23	\$0.19	76,797	57,958
140	Texas Commerce	Newark, Delaware	75,000	118,000	177,000	\$0.14	\$0.09	90,300	86,700
141	Central Bank	Monroe, Louisiana	74,409	100,956	129,472	\$0.14	\$0.07	26,397	103,075
142	Manufacturers and Traders	Buffalo, New York	74,000	86,000	133,600	\$0.17	\$0.11	0	133,600
143	Bank of Baltimore	Baltimore, Maryland	73,545	105,596	175,289	\$0.11	\$0.09	67,801	107,488
144	Trustmark National	Jackson, Mississippi	73,200	89,200	127,700	\$0.11	\$0.06	83,005	44,695
145	Equity Bank for Savings (S&L)	Oklahoma City, Oklahoma	72,000	95,000	126,720	\$0.14	\$0.05	55,000	71,720
146	Idaho First National	Boise, Idaho	71,907	99,182	148,454	\$0.16	\$0.07	86,373	62,081
147	First Security National	Lexington, Kentucky	71,240	98,740	120,396	\$0.13	\$0.05	18,059	102,337
148	Apple Bank (S&L)	Garden City, New York	70,863	103,440	164,000	\$0.16	\$0.11	0	164,000
149	Fidelity National	Atlanta, Georgia	69,168	82,478	113,289	\$0.11	\$0.09	5,583	107,706
150	First Interstate of Nevada	Reno, Nevada	68,327	107,045	150,529	\$0.17	\$0.08	102,317	48,212
TOTAL			4,729,327	6,542,509	8,862,261	\$10.19	\$5.71	3,944,963	4,917,298

TOTAL FOR TOP 150 96,543,657 130,639,556 192,553,294 \$206.44 \$136.04 80,758,096 111,795,398

Notes: NB = nonbank. S&L = savings & loan. CU = credit union. (a) Sold to Norwest. (b) Sold to First Omni.

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General-Purpose Cards (from page 5) ... companies. Support comes from Amex travel-service offices in 120 countries. JCB cards issued in Japan were also issued in very small numbers in the U.S., the United Kingdom, and Hong Kong by the end of 1990. Singapore and Thailand are about to start. Approximately 1.9 million merchant outlets in 109 countries accept the card.

MULTINATIONAL GENERAL-PURPOSE CARD Market Shares 1989 vs. 1990

BRAND	1989		1990 Market Share	Change
	Gr. Vol. (\$Bil.)	Market Share		
Visa	\$259.2	46.3%	49.3%	+3.0
MasterCard	\$162.7	29.1%	28.5%	-0.6
Amex	\$99.9	17.8%	15.9%	-1.9
JCB	\$16.0	2.9%	2.2%	-0.2
Diners Club	\$15.6	2.8%	2.5%	-0.3
AirTravel	\$4.5	0.8%	0.9%	+0.1
EnRoute	\$1.7	0.3%	0.2%	-0.1
AirPlus	\$0.4	0.0%	0.0%	-
PassAge	\$0.1	0.0%	0.0%	-

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Diners Club/Carte Blanche, the world's oldest general-purpose card company, issues cards through 50 franchises, 12 subfranchises, and 14 agencies. Citibank owns Diners franchises in 14 countries with the remainder operated by local interests — some with a minority position owned by Citibank. Prior issues: Amex 498, 495, 493, 482 JCB 483, 482, and 10 others Diners/Carte Blanche 498, 495, 482, 467, 453, 449, 310

■ **Travel Service Cards.** Universal Air Travel Plan, administered by Air Travel Card in the U.S., had its biggest year in 1990 with a

22% increase in gross volume despite the recession and Persian Gulf War. Cards are issued by seven U.S. airlines to 100,000 corporate customers but can be used only to purchase air and rail tickets and to place phone calls from these carriers. UATP has two franchises outside the U.S. AirPlus cards issued by nine European airlines can be used for airline tickets, car rentals, lodging, and a limited number of restaurants. PassAge, issued by Japan Air Lines, operates similarly to AirPlus. Most cards are issued in Japan but PassAge is expanding in Asia. Spending reached \$242 million at year-end. Prior issues: Air Travel 482, 449 AirPlus 487, 472, 465, 448 PassAge 489, 482 □

Domestic General-Purpose Card Companies

Discover in the U.S., Carte Bleue in France, Bankcard in Australia, and national systems in 11 other countries will be covered in the next issue.

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Top Bank Cards (from page 1) ... 39 commercial banks, 6 savings and loans, 4 nonbanks, and 1 credit union. Three portfolios in this group have recently been sold — Shawmut Bank, Connecticut National, and Far West Federal. Fastest-growing members are the nonbanks, three of them owned by insurance companies — Prudential Bank & Trust (Prudential Insurance), Massachusetts Company (Travelers Corp.), and First Signature Bank (John Hancock). The fourth nonbank in this group is Fidelity Trust, owned by Fidelity Investments — primarily a mutual funds company. □

U.S. Banknote (from page 1) ... a company that will service and expand identification projects currently underway at both companies. IDmatics will be a world leader in consumer identification systems even without planned acquisition of the Imaging Systems subsidiary of Consolidated NBS in Toronto, contractor of record for the new California license/I.D. card. Michel Didier will head IDmatics in New York at (212)741-8500. Jean François Favard will head IDmatics in France, 33 (1) 476-03678. Prior issue: 490

■ **Thomson CSF** is 56% owned by Thomson SA, a French nationalized holding company headquartered in Paris with annual sales of \$14.6 billion. In France and other countries, Thomson SA has two major divisions, CSF and Consumer Electronics, that include defense (aircraft equipment and weapons), communications, home appliances, high-definition TV, and microchips. SGS-Thomson, a joint venture with IRI of Italy and minor partner Thorn of Great Britain, is among the leading chip manufacturers in Europe that include Siemens, Philips and Bull. Thomson CSF is the world's second-largest electronics defense contractor (after Hughes in California) and Thomson Consumer Electronics is the fourth-largest consumer-electronics firm in the world.

Thomson CSF operates semiconductor facilities in Dallas. In 1987 it acquired the consumer-electronic divisions of General Electric including worldwide rights to the RCA brand name for televisions, videocassette recorders, camcorders etc. In ... (turn to page 8)

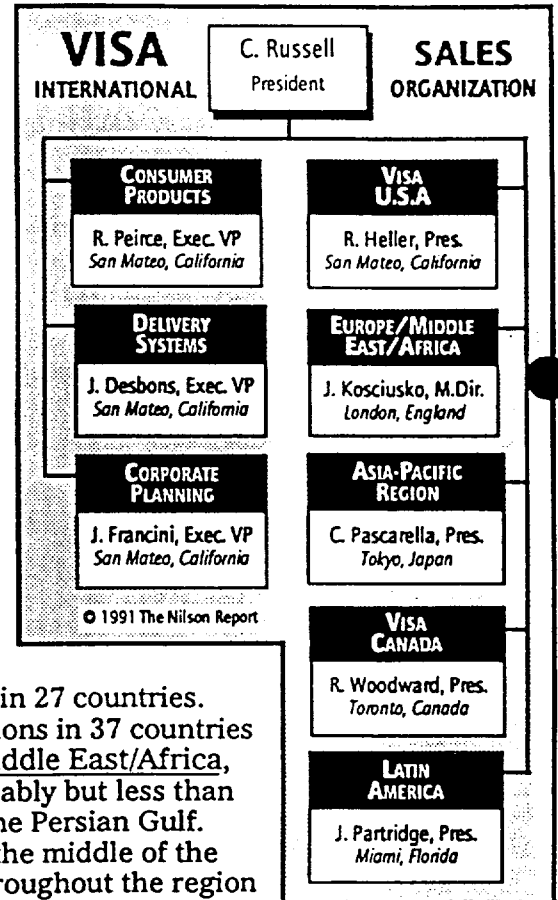
U.S. Banknote (from page 6) ... the identification business, Thomson CSF Inc. has contracts in six countries including one with the U.S. Immigration & Naturalization Service. François Jas heads the Information Technology Group in Arlington, Virginia (703) 486-0780. Prior issue: 490

■ **United States Banknote** is the world's second-largest security printer after De La Rue of Great Britain. It owns IBN Holographics which supplies holograms for bank cards worldwide and for the new California license/I.D. cards. It also prints U.S. government food stamps and is the world's leading printer of travelers cheques. USB entered the identification business in 1987 by acquiring the digital/direct video process of Identification Systems of Acton, Massachusetts. Since then it has fulfilled I.D. document contracts for Haiti, Mexico, Colombia, Peru, the U.S. State Department, and the United Nations. *Business Week* (May 6) calls USB a "money making machine" and predicts stock currently selling at 5% will reach 10 by year-end. Morris Weissman is Chairman and Stanley Kreitman is President of U.S. Banknote in New York, (212) 741-8500. Prior issues: 495, 493, 471, 466, 459, 452, 449, 446, 445, 397 Instant I.D. 382 □

Visa (from page 1) ... equalled (99.4%) the combined worldwide volume of its next four largest competitors — MasterCard, American Express, JCB, and Diners Club.

• **United States** led all regions with 53% of cards issued and 46% of gross volume and transactions. Despite maturity of the market and the recession, the U.S. experienced double-digit growth in all three categories. • **Europe** is Visa's second-largest region. Cards are issued in 27 countries and are accepted at over 2.4 million merchants in all European countries except Albania. • **Asia/Pacific** is Visa's third-largest region for cards and gross volume but is its fastest growing area. Cards are issued in 13 countries (dominated by Japan) and accepted at over 2 million merchants in 34 countries. • **Canada** is Visa's fourth-largest region for cards and volume and third-largest for transactions. There is no duality in Canada and four of the country's top five banks are exclusively Visa issuers. • **Latin America** is the only region where Visa does not have a dominant market share over MasterCard. Cards are issued in 27 countries. Transactions occur at more than one million locations in 37 countries including Mexico, the Caribbean, and Cuba. • **Middle East/Africa**, which is the smallest region for Visa, grew respectably but less than expected due to last year's mounting troubles in the Persian Gulf. Kuwaiti cards and outlets had to be suspended in the middle of the third quarter. Cards are issued in 15 countries throughout the region led by South Africa and Israel. Transactions occur at over 177,000 merchants in 12 countries. Prior issue: Europe 498 □

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May 15, 1991


 H. Spencer Nilson