Card Manufacturing
Breaking the Mold of Traditional Payment Cards

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Agenda

• Origins
• Today’s payment card
• The introduction of different technologies
• The evolution of new materials
• The evolution of new shapes
• Conclusion
Origin of the Payment Card

• The first Diners Club credit cards were given out in 1950 to 200 people and accepted by 14 restaurants in New York.

• The concept of the card grew and by the end of 1950, 20,000 people were using the Diners Club credit card.

• The Diners Club credit card continued to grow more popular and didn't receive competition until 1958. In that year, both American Express and the Bank Americard (later called VISA) arrived.
Financial Cards Today

- Quantity of cards in circulation: 3.5 billion
- Quantity of cards replaced every year: 1.1 billion
- Majority PVC
- PET in Japan
- Magnetic stripe HICO, two or three tracks
What is available today?

Standard CR80
PVC based for most of the world

This is the main product and the only thing we really need; however, there are more options for materials and shapes.

3.375 in by 2.125 in
ISO 7810
Introduction of Different Technologies

• Smart cards: contact, contactless and dual interface
• Dynamic mag stripe
• One Time Password (OTP)

New Opportunities and New Needs
The Evolution of New Materials

• Environmental Concerns

• Mechanical Resistance Concerns
Environmental Concerns

• The New Materials
  – Bio PVC
  – PLA

Biodegrades in nine months to five years
New Material for Improved Performance

– Composite PET/ PVC
– Composite with different materials such as PC, Teslin, paper etc.

Durability
Solidity
Chemical and mechanical
Improved resistance
Compatibility with new technologies
The Evolution of New Shapes

• **Evolution driven by**
  – Convenience
  – Market differentiation
  – Technical opportunities
The Mini Card, First initiative

A companion product

Mini Size
2.6342 in by 1.6141 in

Introduced as the first complement to a standard CR80
The Mini Card

• Measures half the size of a Standard CR80
• Compatible with contactless technology
• Compatible with the magnetic stripe

The Mini Card introduced by Visa
Mini Card Personalization

- CR80 format
- Compatible with existing equipment to process the format.
- Snap and use as mini product

A marketing tool, not a card replacement
The Key Fob

• An old companion!

• That is not easy to adapt to the financial world.
Pay a Ride...
Express Ourselves ...
Support Our Team ...
Support A Good Cause ...
The Key FOB in the Financial World

Advantages

• Compatible with Contactless technology,
• Easily accessible on the consumer’s key ring,
• Convenient and
• Cool

Exxon Speedpass
Contactless Key FOB
A Fob is an Opportunity to Catch!

• Yes! But
  – Personalization in standard equipment might be an issue
  – Expensive for small productions
  – Hardly compatible with new technologies (short reading distance)
The Technology Behind the FOB

- The 2D Key FOB is the only one close to the card. It is compatible with:
  - the existing equipment for personalization and
  - new technologies.

- The 3D Key Fob requires totally different setup for production and personalization, and it is a limitation for the payment industry.

Niche market only
Contactless Sticker

• The new one!

People’s Choice Winner
ICMA Élan Awards

• Financial
• Prepay
• Payment in Closed or Open loop environment
• Compatible with new technologies

Sticker Size
1.8898 in by 1.1024 in
The Sticker

• Product is a stepping stone for NFC:
  – Does not need to solve the business model issues
  – Gives the payment power with the phone

• Brings all advantages of Contactless payment technology in a convenient companion product
  – Consumers will no longer need to bring their wallet
  – Consumers can pay fast
  – Consumers can select where to keep it: phone, ID, iPod etc…
  – Consumer can use in closed loop and open loop (payment, transit, cafeterias, etc.)
The Sticker
Outside the mold of the traditional payment card.

• Is compatible with existing systems
  – CR80 format
  – ISO compliant
  – Certified by brands

• Is accepted
  – everywhere there is a contactless reader
  – Well received by any user

More than a niche market, a real massive product.
Summary: What to select?

• Companion products that are Marketing Tools for niche markets:
  – Mini Card
  – Key FOB
  – Wrist
  – Watch, etc.

• Companion products that bring real advantages for users:
  – Stickers
Conclusion

• Good news for card manufacturers!
  – financial market remains based on the CR80 form factor.
  – Differentiation in the field is the motivation to get more business: the creation of new products

• Environment and Convenience concerns favor the evolution of used materials.

• CPI sees evolution and growth for companion products for customer satisfaction and convenience.
Questions?
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