

# 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.

*By Jennifer Rosenberg, About.com*

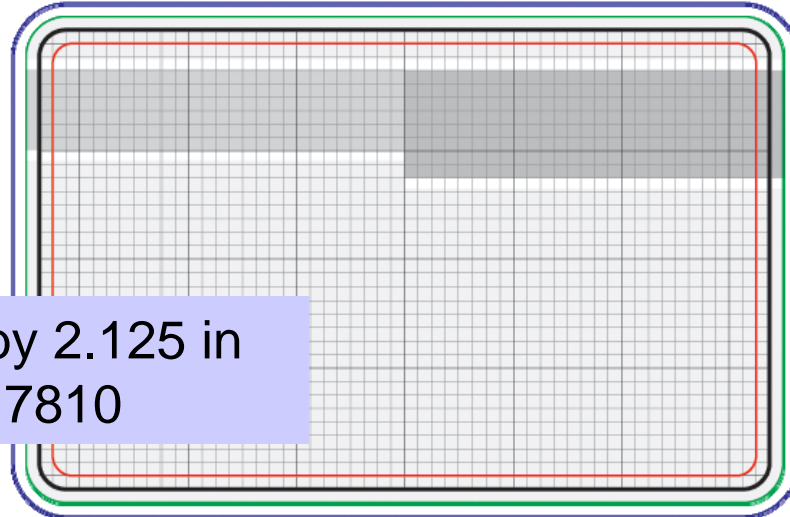
# Financial Cards Today

- **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.**

# 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

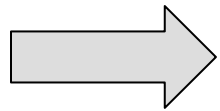


Biodegrades in nine months to five years

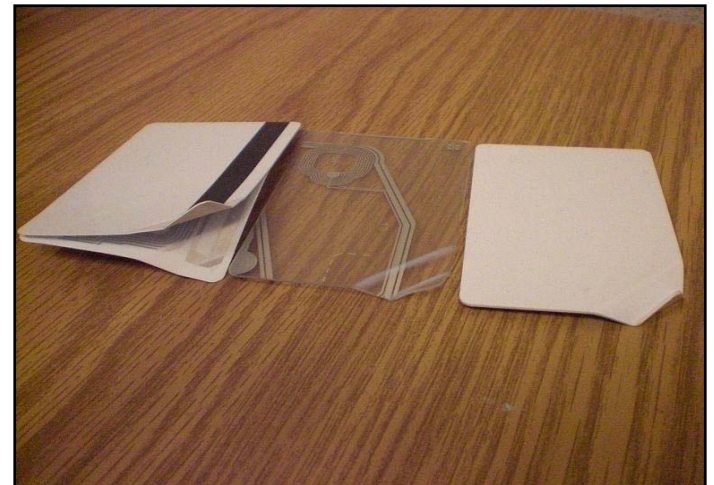


# New Material for Improved Performance

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



**Durability**  
**Solidity**  
**Chemical and mechanical**  
**Improved resistance**  
**Compatibility with new**  
**technologies**

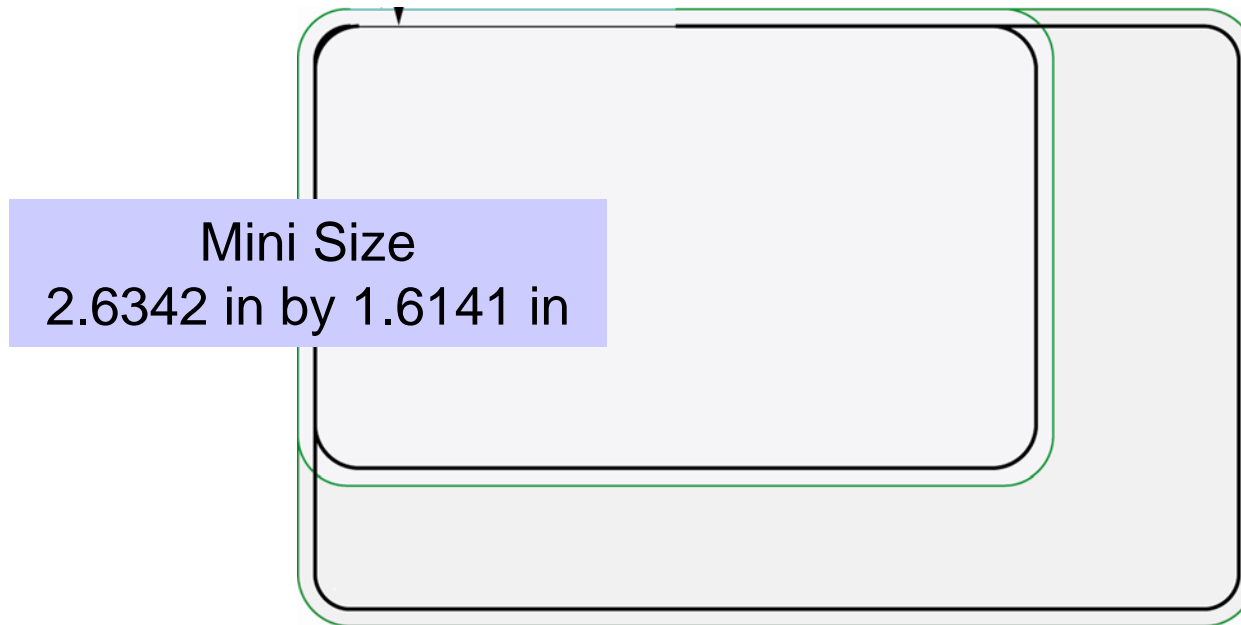


# The Evolution of New Shapes

- **Evolution driven by**
  - Convenience
  - Market differentiation
  - Technical opportunities

# The Mini Card, First initiative

## A companion product



**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



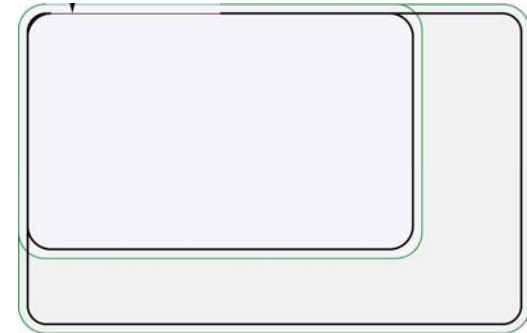
# A Fob is an Opportunity to Catch!

- **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.

Fob Size  
2.6342 in by 1.6141 in



- **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



Sticker Size  
1.8898 in by 1.1024 in

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

# 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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