



By Walter Sanders

Diners Club Reborn

How BMO plans to revive and rebuild a global brand.

The newest player in the multinational travel and entertainment card payment industry is the oldest name in the business: Diners Club(r).

The excitement is palpable. The future is bright. “Current and future clients are going to see and experience improved corporate T&E, purchasing and fleet card programs with multinational capabilities from BMO,” says Terry Wellesley, executive managing director corporate payment sales, North America.

Wellesley, who joined BMO Financial Group in 2006, has also worked for Diners Club and American Express and knows the payment industry playing field. A fierce competitor, he was a running

back in the Canadian Football League, and he is both enthusiastic and realistic about the strength the Diners Club acquisition brings to the BMO team. “I’m proud of the history of Diners Club, and I’ll be even prouder about what we accomplish in the future.”

Glowing History, Brighter Future
Bank of Montreal (BMO) acquired the Diners Club North American franchise from Citigroup in December 2009. With that purchase came the legacy of the iconic brand that created the world’s first multi-use charge card (1950), the first corporate card payment program with Corning Glass (now Owens Corning) in

1975, and the first multi-airline card-based rewards program in 1984.

“We will revive the brand, brighten it, invest in it, and leverage all of the global strength that Diners Club will bring to multinational clients,” says Wellesley.

The Discover acquisition of the Diners Club International (DCI) network and the BMO purchase of the Diners Club North American business is wonderful news for current and future Diners Club corporate customers. Why? Because throughout all the economic turmoil — perhaps because of it — rank and file Diners Club employees worked hard to deliver solutions to clients.

“There’s a passion for the brand from clients and employees that I’ve witnessed time and time again,” says Wellesley. “Now we have the resources to invest in the brand, and bring a clear understanding of the corporate payments space.”

How will BMO build on that passion? Wellesley outlines a preliminary five-point strategy that will be implemented within the next 12 months.

Deliver Customer-centric Solutions
“It’s all about the customer experience,” says Wellesley. “BMO now has a suite of products — purchasing, fleet, T&E — that



offer global solutions to leveraging T&E and procurement investments to the benefit of the client.”

Couple the unmatched global merchant acceptance of a MasterCard platform with the intrinsically superior Diners Club customer service experience, and the result is a payment and control utility that amplifies the multinational capabilities of the brand.

“We’re working hard now to integrate the BMO offerings into a sales, marketing and operational continuum that adds value to clients,” says Wellesley.

Leverage BMO’s Stability

Recent events in United States financial markets underscore the importance of sound risk management strategies. BMO’s history is a model of fiscal integrity: smart informed leadership, healthy capitalization and a willingness to invest when and where the opportunity is right.

The financial strength of BMO complements the portfolio diversity of Diners Club. As clients begin to more closely scrutinize the financial stability and capitalization depth of corporate card issuers, BMO will be well-positioned to make that card decision easier.

“It’s no longer about where the bank is headquartered, it’s all about how head-

quarters operates the bank,” says Wellesley.

Raise The Technology Investment

There’s a difference between having the resources to invest in technology, and having the understanding and the appetite to make those investments. Both BMO and Discover realize that delivering global solutions for the multinational payment needs of clients requires consistent and strategic investment.

Card-based technology in the US trails many European and Asian markets. One key area of frustration for business travelers carrying US-issued cards is that the old magnetic strip technology often cannot be read at point-of-purchase facilities or by traditional merchants in many global markets. The evolution of chip-based technology in cards abroad has far outpaced US efforts. And the chip gap exceeds mere utility. Magnetic strip cards can be more prone to fraud related security issues. BMO plans on issuing chip-based Diners Club cards to North American clients starting in 2011.

In addition, the bank and other issuers are cooperating with MasterCard on pilot programs to explore a wide range of future developments including wireless payment applications.

“What I want clients to know is that we are listening to you, and are investing in technology solutions that will meet the needs of your travelers ... and the needs of your CFO,” says Wellesley.

Respect Client TMC Preferences

Key to BMO’s customer experience philosophy is flexibility. BMO realizes that clients should choose their suppliers.

“We are not in the business of trying to force, or even influence, a client to make a specific TMC decision based on our operating model. We’re in the business of making sure that we cooperate well with the travel management company chosen by the client,” Wellesley says.

BMO has strategically aligned with a number of global TMCs to ensure that technological and operational synergies occur from the first booking and payment. But the bank reiterates it will never force a TMC fit with a BMO payment product.

Showcase Club Rewards

Compliance is still a key element of a well-functioning travel management program. Different corporations take different approaches to traveler compliance. Whether you employ the carrot or the stick method, BMO can help support your compliance philosophy.

As the economy improves, and as your travelers might have more employment options, a compliance carrot approach might help in retaining valued employees. The award-winning Club Rewards program from Diners Club gives travelers the opportunity to earn points for using the Diners Club card. The program has special appeal for consulting, accounting, legal and other professional firms whose people are their products.

The BMO commitment to a re-energized Diners Club T&E and procurement payment management program is worthy of your attention and consideration. As you review your travel management and procurement payment performance indicators, give BMO the opportunity to demonstrate their abilities to help assess and meet your future needs.

Expect a banking partner that listens, and delivers. **BTE**

