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ORIGINAL → ESSENTIAL → UNBIASED → **INFORMATION**

What You Need to Know to Take Your Card Program Global

Mary Miklethun,
Travel Program Strategy Manager
U.S. Bank

Vicki Haugen,
Assistant Treasurer
Tennant Company

Agenda

- **Introductions**
- **Are You Ready?**
- **Global Card Program Models**
- **Provider Selection**
- **Contracting Considerations**
- **Implementation**
- **Country Nuances**
- **Reporting, Tools and Data**
- **Controls and Compliance**
- **Managing your Program**
- **Questions?**



U.S. Bank Profile and Expertise

2Q13 Dimensions

Asset Size	\$353 billion
Deposits	\$252 billion
Loans	\$228 billion
Customers	17.6 million
NYSE Traded	USB
Founded	1863
Bank Branches	3,087

USB Capital Position

	2Q13 USB
Tier 1 Capital Ratio	11.1%
Total Risk-based Capital Ratio	13.3%
Leverage Ratio	9.5%
Tier 1 Common Equity Ratio	9.2%
Tangible Common Equity Ratio	7.5%

Regional

Consumer & Business Banking & Wealth Management



National

Wholesale Banking & Trust Services

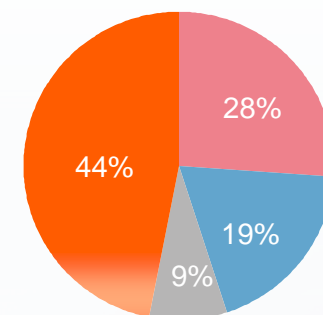


International

Payments



Diversified Revenue Mix Revenue by business line 2Q13 YTD



- Payment Services
- Wholesale Banking and Commercial Real Estate
- Wealth Management and Securities Services
- Consumer and Small Business Banking

Tennant Company Overview



Founded: 1870 by George H. Tennant as wood products company

Business: Leader in designing and manufacturing equipment and solutions that help create a cleaner, safer, healthier world

2012 Revenues: \$739M

2012 Employees: 2,816

Manufacturing Sites: 7

NYSE Symbol: TNC



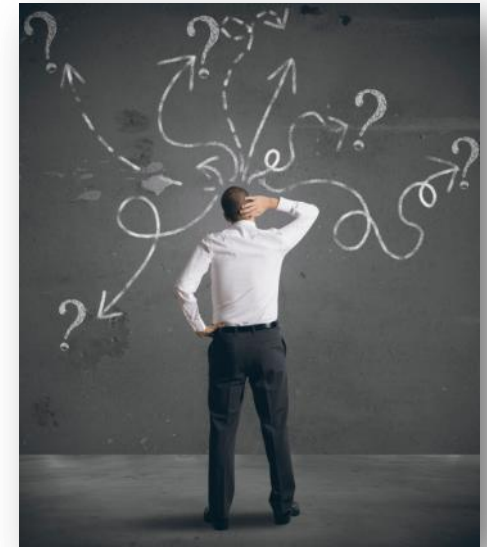
Tennant Card Program Highlights

- **Global Visa program**
- **16 countries across the America's, EMEA, APAC and LATAM**
- **Global T&E policy**
- **1,750 Cards with \$16.5 in annual spend**
- **Liability and Billing varies by country**
- **Centralized reporting system**
- **Local service model**
- **Payment automation**



Are You Ready?

- **Do you have a successful domestic program?**
- **Will management endorse a global program?**
- **What are your program goals?**
- **Do you have a global travel policy?**
- **Do you have the data?**
 - What is your spend by country?
 - How many cards will you need?
- **Are there legacy card programs in place?**
 - What are the termination clauses?
- **How are other countries paying for expenses today?**
- **Are there country specific rules you need to be aware of?**
- **What cultural differences exist?**



Global Card Issuing Models

- **Single Issuer**: one issuer directly issuing and managing cards in all markets
- **Franchise**: a network of franchises delivering cards and service under one brand
- **Partner**: central or lead issuer coordinating with other issuers around the world



Selection Process

- **RFP or RFI**
- **What is important to your organization?**
- **How well will the provider fit your footprint?**



Contracting: Process

- **Global contracting process(es)**
- **Issuer support through the process**
- **Regulatory requirements**
- **Legal entity considerations**
- **Consistency of documentation**
- **Language translation**



Contracting: Liability, Billing and Payment

- **Liability and Billing are often confused**
- **Billing type determines:**
 - Who receives the statement
 - Where payments are applied
- **Liability determines who is ultimately responsible for payment**
- **There are many combinations of liability, billing and payment options, and these may vary across different markets**



Contracting: Liability, Billing and Payment

	Approves Cardholder	Sets Credit Line	Bill Goes To	Payment Made By	Payment Guaranteed By
Purchasing Cards / Virtual Cards / Meeting Cards	End-User Organization				
Travel Card					
Individual Liability	Card Issuer		Employee		Rebate Offset
Corporate Liability / Individual Pay	End-User Organization				At 120 days past due
Corporate Liability / Corporate Pay					End-User Organization
			When expense report is approved		

Contracting: Rebates

- **Issuer revenue varies by country / region, which can mean rebates vary as well**
- **Program performance factors**
 - Volume
 - Speed of payment
 - Delinquency / charge-offs



Contracting: Rebates

- **What do you want to do with your rebate dollars?**
 - Fund program management?
 - Incent local stakeholders to buy into program?
- **If you pursue a centralized rebate structure, consider the implications**
 - Liability and payment responsibility vs. who gets benefit of rebate
 - Taxation
 - Local buy-in

Implementation Best Practices

- **Provider support: who will be at the table?**
- **Identify resources: both at HQ and at local level**
- **Assigned Implementation Manager (client / issuer)**
- **Establish clear understanding with your provider of current program(s)**
 - Review “as is” vs. “to be” analysis
- **Management support is critical to your success**
- **Local engagement: take time to understand their environment**
 - Consider that *your practice may not be the best practice in all markets*
- **Phasing the project or big bang approach?**
 - Technology considerations, e.g., expense management
 - Geographic phases

Country Nuances

- **Acceptance**
- **Regulatory requirements**
- **Cultural differences**
- **Currency**
 - USD/EUR/???
 - Currency triangulation
- **Chip and PIN**
- **Employee agreements**
- **Language considerations**
- **Unintended consequences**
 - Credit aggregation



Reporting Tools and Data

- **Data consolidation**
- **Reporting platform options**
 - Issuer provided
 - Demographic reporting (# cards, limits, usage, delinquency)
 - Expense management
 - Accounting requirements
 - Spend analysis
- **Data delivery**
 - File feeds (frequency / number of feeds, other considerations)
 - Timing of transactional reporting



Controls and Compliance

- **Policies: global vs. local**
- **Country considerations**
 - Tax requirements
 - Labor laws and employment contracts
 - Language
- **Personal use of cards**
- **Controls: MCC blocking**

Managing Your Program

- Leveraging your data
- Travel billings: central vs. individual
- Restricting use of personal cards
- Limiting cash transactions
- Managing rebate program goals
- Managing delinquency and impact of credit reviews



Questions



Thank You!

Mary Miklethun

U.S. Bank

mary.miklethun@usbank.com

Vicki Haugen

Tennant Company

vicki.haugen@tennantco.com