



**MEMORANDUM**

To: Hans van der Velde  
Stephen Schapp  
Fiona Wilkinson

cc: Susan Murdy  
Sue Curtis

From: Peter Halliday

Date: 10 December 1996

Subject: NatWest - Amex agreement

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Attached with this memo are:

- Press release on UK agreement
- Press release on UA co-branded card
- Reuters news story
  
- Visa EU media statement

The situation has been discussed with Stephen Schapp, and the text of the EU press statement agreed to.

So far (3:30pm) there has been one media enquiry (Marketing magazine).

It has been agreed that Corporate Communications will make some additional press calls in an attempt to undermine the claims on the Amex merchant network.

For the time being, all press calls to be handled by Corporate Communications.

GOVERNMENT  
DEPOSITION  
EXHIBIT  
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To	PAUL NERO	<b>FAX</b> Post-Net Fax Note Ref No 7000
Company	VISA	
From	PATRICK BOYLEN	
Company	MARKETING	
Tel No	415 485	No. of Pages 2



RECEIVED 12/10/96 11:00 AM

**AMERICAN EXPRESS AND NATWEST JOIN FORCES  
IN NEW PARTNERSHIP**

**-new cards to be launched in UK and US-**

LONDON - December 10th, 1996 - American Express Co. and NatWest today announced an agreement which allows NatWest to issue cards that operate on the Amex global merchant network. The first of these products in the UK, a personal credit card, will be launched in 1997.

The new strategic partnership will help both organisations to develop a long-term competitive advantage by combining NatWest's strength as a mass market card issuer, with American Express' global merchant network.

Commenting on the new relationship, Jonathan S. Linn, Vice Chairman, American Express Company, said, "We are delighted that NatWest has chosen us as a strategic partner to issue its cards on the Amex network. This is a major step forward in our strategy to open our network to other card issuers and provide freedom of choice to banks and their customers."

Patrick Boylen, Managing Director for Card Services, NatWest UK, said: "NatWest is at the leading edge of card development and this new partnership strengthens our commitment to providing innovative card products."

- more -

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He continued, "NatWest recognises the unique strengths of the American Express brand and we are confident that this partnership will give us greater flexibility to develop successful solutions to meet our customers' changing financial needs, both in the UK and as part of NatWest's International Card strategy."

"The launch of the new UK credit card means NatWest customers will be able to benefit from the Amex worldwide network and this, coupled with NatWest's distribution muscle in the UK, is a powerful combination".

The new cards form part of the growing NatWest card portfolio, and will also be offered through leading high street retailers. They will carry the NatWest name and logo, together with the familiar American Express blue box symbol, and will enable customers to use the global Amex network which continues to expand rapidly - a new merchant signs up every thirty seconds.

In a simultaneous announcement in New York, plans were unveiled for a NatWest-issued United Airlines corporate card that operates on the Amex network. The card, which will be marketed to large and medium sized companies in the US, will act as a cost control tool for corporate travel expenses. It will also be introduced in 1997.

: ends

**Note to editors :**

A copy of the US announcement is available on request

**For further information :**

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NatWest UK  
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FAX-0171 233 0833

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Press Information Press Information Press Information



STRICT ENCLARGO UNTIL 1.00PM, TUESDAY 19TH DECEMBER 1996

UNITED AIRLINES, NATWEST AND AMERICAN EXPRESS TO LAUNCH A NEW CORPORATE CARD

- United offers its first multi-purpose corporate card
- First bank-issued card in the US to access American Express global merchant network

*New York, US, 18 December 1996*... United Airlines and National Westminster Bank Plc today announced that they will launch a new United Airlines Corporate Card that operates on the American Express merchant network. United will market the non-revolving charge card to large and mid-sized companies as a cost control tool for corporate travel and entertainment expenses.

The new corporate card, expected to be issued in the first quarter of 1997, represents an expansion of United Airlines' payment programs for corporate clients. The alliance also represents American Express' first US "network card," with NatWest issuing the card that will be accepted at all merchants that welcome American Express Cards worldwide.

United Airlines is responsible for marketing the card to corporate accounts and providing overall account management to companies. Cardholder customer service and management information reporting will be provided by American Express Corporate Services under a servicing arrangement with NatWest.

"United has been researching a Corporate Card for travel and entertainment expenditures for quite some time," said Jim Goodwin, Senior Vice President of North America for United Airlines. "We felt this type of product would round out our business portfolio of payment options we offer our current and prospective clients. We couldn't be more pleased with the new partnership with both American Express and NatWest. United can offer the products, services and account management that corporations demand."

*Jawore*

American Express Corporate Services Ltd, PO Box 4806 & Corporate Communications, Portland House, 25th Floor, London SW76 8BZ Tel 0171 878 4886 Fax 0171 880 8877  
 American Express Bank, Limited, 15, Broad Street, 12th Floor, London EC2M 2DL Tel 0171 638 5386 Fax 0171 638 5376

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**UNITED AIRLINES, NATWEST AND AMERICAN EXPRESS TO LAUNCH  
A NEW CORPORATE CARD/2**

Patrick Boylan, Managing Director for NatWest Card Services, said: "NatWest's international card strategy builds upon our successful UK personal and commercial card business. This deal is the first of its kind for NatWest and demonstrates our commitment to being a key player in the global card business. NatWest recognises the appeal of the American Express and United Airline brands, and we are confident that this venture will allow us to develop successful solutions to meet the changing financial needs of our customers."

Jonathan S. Liven, Vice Chairman of American Express, added: "We are extremely pleased that NatWest and United have chosen to become our partners in issuing the first bank card in the United States accepted on the American Express network. Together, we will deliver an innovative product backed by our shared commitment to outstanding customer service. This partnership will allow American Express to leverage the global infrastructure we have built to help companies manage their travel and entertainment expenses. It is also a major step forward in our strategy to build alliances with banks and open our network to other issuers in the US, as we have begun to do in international markets."

**Background**

US corporations this year will spend an estimated \$156 billion on travel and entertainment, according to American Express' 1996 Survey of Business Travel Management. Sixty-seven percent of companies use a corporate card to manage their employees' on-the-road expenses.

As the largest air carrier in the world and the largest majority employee-owned company, United Airlines offers more than 2,200 flights a day to 139 destinations in 30 countries and two US territories around the world. In addition, United is an industry leader providing greater conveniences to travellers with innovations such as the Shuttle by United, E-Ticketing, self-service Boarding Pass Machines and United Connection desktop reservations.

.../more

**UNITED AIRLINES, NATWEST AND AMERICAN EXPRESS TO LAUNCH  
A NEW CORPORATE CARD/3**

NatWest manages an international portfolio of business providing a broad spectrum of financial services to customers ranging from individuals and small businesses to multi-national companies. It has total assets of around \$259 billion and operates in 33 countries. NatWest has over 25 years experience in the UK card market offering personal and commercial card services. NatWest also offers specialist services to airlines, in particular a world leading multi-currency acquisition product, which is tailored to meet the individual needs of the industry.

The American Express Company is a diversified worldwide travel, financial and network services company founded in 1850. Its Corporate Services division helps companies manage their travel and purchasing expenses by providing business travel agency services, the Corporate Purchasing Card and the Corporate Card. American Express is the largest issuer of corporate cards in the United States.

- ends -

**Press Contacts in the US:**

Christine Levitz American Express (212) 640 3382	Mary Jo Holland United Airlines (847) 700 6689	Concie Hluff United Airlines (847) 700 5501
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**Press Contacts in the UK:**

Anthony Frost NatWest 0171 920 5285	Sally Brown American Express 0171 976 4498	Melanie Martin/Andrew Morrison Hill & Knowlton 0171 413 3205/3186
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LONDON, Dec 10 (Reuter) - American Express Co and National Westminster Bank said on Tuesday they have agreed a deal whereby NatWest will issue cards that operate on the Amex global merchant network.

The first UK product, a personal credit card, will be launched in 1997, the companies said in a joint statement.

The statement said the new strategic partnership will help both organisations to develop long-term competitive advantage by combining NatWest's strength as a mass-market card issuer with American Express's global merchant network.

In the U.S. NatWest plans to issue a United Airlines corporate card that also operates on the Amex system.

The card will be marketed to large and medium-sized companies in the U.S. and will act as a cost control tool for corporate travel expenses and will be launched next year.

"NatWest is at the leading edge of card development and this new partnership strengthens our commitment to providing innovative card products," said Patrick Boylan, NatWest UK's managing director for card services.

Jonathan Linen, vice chairman of Amex said the deal was a major step forward in its strategy of opening its network to other card issuers and providing choice to banks and customers.

The new UK cards will form part of the bank's card portfolio and will also be offered through leading high street retailers.

They will carry the NatWest name and logo as well as the Amex symbol. - London Newsroom +44 171 542 7717.

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**NatWest - Amex statement**

We have obviously been aware of discussions between American Express and NatWest and are not surprised by this announcement.

The payments market has never been more competitive, and NatWest has exercised its free choice to enter into whatever partnerships it deems to be appropriate.

Having said this, it is important to keep the matter in perspective. NatWest has invested heavily in and works closely with a number of different payment systems including Visa, MasterCard and Switch, and it is likely that it will want to develop all of these partnerships, and not replace them.

For Visa's part, NatWest is an active UK member. It issues and actively markets a number of our products including credit cards, Commercial cards and Purchasing cards, and is represented on our National and Regional Boards.

In our efforts to increase competition, we continue to invest in those products which compete directly with American Express. We believe that this will give our member banks less incentive to enter into agreements with American Express which, at the end of the day, is a direct competitor to those banks.

As we have said in the past, we believe that it better serves the interests of all card issuing banks to work with an association such as Visa, which they have joint ownership of and influence over, rather than an independent company - and competitor - such as American Express.

What is more, through Visa, they have access to the world's largest merchant network, encompassing 13 million acceptance locations worldwide - three times larger than that provided by American Express.

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