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## The rationale...

The need for accurate strategic information on the Canadian chip-card market is now more acute than ever. The market is on the eve of rollout of a backbone multiapplication infrastructure. But before this can take place there are many issues which need to be addressed across all important segments of the industry.

This detailed assessment and forecast of the chip-card market in Canada was conducted by **Technology Surveys International Inc. (TSI)**. The findings of the study, based on more than 170 in-depth interviews with key decision-makers from across Canada, is embodied in this comprehensive 250-page report.

**Prospects for the Chip-card Market in Canada: 2000** was released in Q1 2000. The report is available to organizations on a subscription basis.

## Benefits of subscription

As a subscriber to this study you will be in a unique position to **tailor your strategies to the needs of the Canadian market**. You will be able to **make well-informed strategic decisions** about how to direct and steer your business in the highly dynamic Canadian chip-card environment, using **the best information available** on the Canadian chip-card marketplace.

Ultimately this report will **reduce your business risk** by allowing you to **identify important growth segments and opportunities** for your business, and by providing you with **insight into the dynamics of key segments**.

Draw on TSI's years of experience in tracking the Canadian chip-card industry, and secure your success in the Canadian market by ordering your copy of the report now.

# Prospects for the Chip-card Market in Canada

## A Strategic Analysis and Forecast of the Canadian Market for Memory and Microprocessor Cards, and Related Systems

The market for chip-cards in Canada is set to grow dramatically over the next five years. More than 35 million cards will be in circulation in Canada by 2004, representing a compound average annual growth rate of 47% off the current base of 5.1 million cards. Approximately 4.6 million chip-cards were issued in Canada in 1999 alone.

But the Canadian situation is unique, both in the way in which the market is developing, and in how the supply structure is adapting to meet the demand for chip-card systems. Early development of the market was supported by payphone applications, accounting for close to 85% of chip-cards issued in 1999. However, the market structure is expected to change significantly over the next five years, fueled largely by strong initiatives on the part of Canadian debit and credit card organizations. Other sectors too, such as the retail sector, are likely to represent important closed application markets.

With the total investment into chip-card systems expected to exceed \$500 million over the next five years, will the supply structure—currently in an embryonic stage of development—be able to meet the sophisticated demands of the Canadian marketplace? And how is the multiapplication infrastructure to support chip-card systems likely to be rolled out in Canada, if at all? **Prospects for the Chip-card Market in Canada: 2000** provides answers to these—and many other—strategically important questions for stakeholders in the Canadian marketplace.

This comprehensive 250-page market analysis and forecast from **Technology Surveys International Inc. (TSI)** provides subscribers with insights into market needs, key drivers and critical issues. It also provides an in-depth assessment of which applications are most likely to succeed, and which segments to target or invest in. Subscribers will be in a unique position to make well-founded, research-based, strategic decisions about how best to steer their business in the rapidly evolving Canadian chip-card industry. It provides essential information for organizations interested in gaining an understanding of, and tracking developments in, the Canadian marketplace.

— March 2000

# TABLE OF CONTENTS

## EXECUTIVE SUMMARY

### INTRODUCTION

BACKGROUND TO THE STUDY  
OBJECTIVES OF THE STUDY  
RESEARCH METHODOLOGY

### WORLD CHIP-CARD MARKET OVERVIEW

THE WORLD PLASTIC CARD MARKET  
THE WORLD CHIP-CARD MARKET  
REGIONAL DEMAND  
DEMAND BY APPLICATION  
CARD TECHNOLOGY  
RELATED SOURCES OF REVENUE  
THE BIOMETRICS INDUSTRY  
THE CANADIAN CHIP-CARD MARKET IN A WORLD MARKET CONTEXT

### TECHNOLOGICAL TRENDS AND DEVELOPMENTS IN THE CHIP-CARD MARKET

DEVELOPMENTS IN CHIP-CARD TECHNOLOGY

*Memory technology*  
*Microprocessor Technology*  
*Contactless Cards*  
*Hardware Security*  
*Other Developments*

OPERATING SYSTEMS AND SOFTWARE  
SECURITY, IDENTIFICATION AND AUTHENTICATION  
TERMINALS AND CARD ACCEPTANCE DEVICES  
PERSONALIZATION AND PRINTING

### CANADIAN CHIP-CARD MARKET SUMMARY

CHIP-CARD MARKET OVERVIEW  
CHIP-CARD TERMINALS  
TOTAL INVESTMENT INTO CHIP-CARD SYSTEMS

### PROSPECTS FOR CHIP-CARD SYSTEMS IN THE BANKING SECTOR

OVERVIEW OF THE FINANCIAL SERVICES SECTOR IN CANADA

THE BANKING SECTOR  
CREDIT UNIONS  
TRUST COMPANIES  
TRENDS IN THE BANKING SECTOR  
ELECTRONIC BANKING

HISTORICAL DEVELOPMENT OF CARD-BASED

PAYMENT APPLICATIONS

*Debit cards*  
*Credit cards*

*Stored-value Cards*

The Guelph Pilot  
The Exact Pilot  
The Mondex Coup

Key Issues Emerging from Stored-value Card Pilots

The Sherbrooke Pilot  
Continuation of the Barrie Pilot

PROSPECTS FOR CHIP-CARD SYSTEMS IN THE FINANCIAL SERVICES SECTOR

KEY DRIVERS FOR CHIP-CARDS IN THE

FINANCIAL SERVICES SECTOR

*Credit Card Fraud*  
*Debit Card Fraud*

*Building Competitive Advantage*  
*International Initiatives*

KEY ISSUES IN THE ADOPTION OF CHIP-CARDS BY THE FINANCIAL SERVICES SECTOR

*Infrastructure*  
*Technology*  
*Standards and Interoperability*  
*Multiapplication Cards*

*Business Case*

RESPONDENT'S VIEWS OF FUTURE MARKET

DEVELOPMENT

MARKET FORECAST

### PROSPECTS FOR CHIP-CARD SYSTEMS IN THE RETAIL SECTOR

THE RETAIL SECTOR IN CANADA

*Structure of the Sector*  
*Regional distribution*  
*Major Players*

MAJOR TRENDS IN THE RETAIL SECTOR  
FACTORS INFLUENCING THE RETAIL SECTOR  
HISTORICAL DEVELOPMENT OF CHIP-CARD APPLICATIONS

PROSPECTS FOR CHIP-CARD SYSTEMS

KEY DRIVERS FOR CHIP-CARDS IN THE RETAIL SECTOR

KEY ISSUES IN THE ADOPTION OF CHIP-CARDS

*Costs and Benefits*  
*Infrastructure*  
*Multiapplication Cards*  
*Other Issues*

RESPONDENTS' PERCEPTIONS OF MARKET DEVELOPMENT

MARKET FORECAST

### PROSPECTS FOR CHIP-CARD SYSTEMS IN VENDING

OVERVIEW OF VENDING IN CANADA

IMPORTANT TRENDS

HISTORICAL DEVELOPMENT OF CHIP-CARD APPLICATIONS

RESPONDENT PERCEPTIONS IN THE VENDING

MACHINE SEGMENT

RESPONDENT PERCEPTIONS IN THE LAUNDROMAT SEGMENT

RESPONDENT PERCEPTIONS IN THE PARKING SEGMENT

MARKET FORECAST

### PROSPECTS FOR CHIP-CARD SYSTEMS IN THE TELECOMMUNICATIONS AND BROADCAST SECTORS

OVERVIEW OF THE TELECOMMUNICATIONS & BROADCAST SECTOR

WIRELESS COMMUNICATIONS

PAYPHONES

CABLE AND SATELLITE TELEVISION

DEVELOPMENTS IN THE TELECOMMUNICATIONS AND BROADCAST SECTOR

HISTORICAL DEVELOPMENT OF CHIP-CARD

APPLICATIONS

Payphones  
Wireless  
Cable and Satellite TV  
Other Developments

KEY DRIVERS FOR CHIP-CARDS IN THE

TELECOMMUNICATIONS SECTOR

Payphones  
Wireless  
Satellite and Digital Cable Television

KEY ISSUES IN THE ADOPTION OF THE CHIP-CARDS BY THE TELECOMMUNICATIONS SECTOR

MARKET FORECAST

### PROSPECTS FOR CHIP-CARD SYSTEMS IN THE TRANSIT SECTOR

OVERVIEW OF THE TRANSIT SECTOR

*Bus Transportation*

*Rail Passenger Transportation*

*Marine Passenger Transportation*

*Air Transportation*

*Tourism*

HISTORICAL DEVELOPMENT OF CHIP-CARD APPLICATIONS

KEY DRIVERS FOR CHIP-CARDS IN THE

TRANSIT SECTOR

KEY ISSUES IN THE ADOPTION OF THE CHIP-CARDS BY THE TRANSIT SECTOR

RESPONDENTS' PERCEPTIONS OF MARKET

DEVELOPMENT

MARKET FORECAST

### PROSPECTS FOR CHIP-CARD SYSTEMS IN THE EDUCATION SECTOR

OVERVIEW OF THE EDUCATION SECTOR

RESPONDENTS' PERCEPTIONS OF CHIP-CARD

ADOPTION

*Current Card Status*

*Services in Operation*

*Chip Cards*

*Perceived Advantages and Disadvantages of Chip-card Technology*

*Issuing Chip-cards*

HISTORICAL DEVELOPMENT OF CHIP-CARD

APPLICATIONS

MARKET FORECAST

### PROSPECTS FOR CHIP-CARD SYSTEMS IN THE HEALTH SECTOR

OVERVIEW OF THE HEALTH SECTOR

HISTORICAL DEVELOPMENT OF CHIP-CARD

APPLICATIONS

PROSPECTS FOR CHIP-CARD APPLICATIONS IN THE HEALTH SECTOR

KEY DRIVERS FOR CHIP-CARDS IN THE HEALTH SECTOR

KEY ISSUES IN THE ADOPTION OF THE CHIP-CARDS BY THE HEALTH SECTOR

MARKET FORECAST

### PROSPECTS FOR CHIP-CARD SYSTEMS IN OTHER SECTORS AND APPLICATIONS

INTRODUCTION

ELECTRONIC COMMERCE

*Key Drivers*

*Key Issues*

*Respondent's Perspectives*

*Prospects for Chip-cards in Electronic Commerce*

THE SKILLS DATA CARD

*Key Drivers*

*Key Issues*

*Prospects for the Skills Data Card*

### THE SUPPLY STRUCTURE IN THE CANADIAN CHIP-CARD MARKET

INTRODUCTION

THE CANADIAN SUPPLY STRUCTURE

*Plastic Card Manufacturers*

*International Chip-card Companies*

*Terminal and Equipment Manufacturers*

*Suppliers of Related Technologies*

*Chip-card System Infrastructure Suppliers*

*Systems Integrators*

*Marketing Companies*

*Consultants and Professional Services*

*Suppliers*

*Card and Related Payments Associations*

*Industry Associations*

*Information Providers*

AWARENESS OF COMPANIES IN THE CANADIAN

SUPPLY STRUCTURE

SOURCES OF SUPPLY OF CHIP-CARDS

TRENDS IN THE CANADIAN SUPPLY STRUCTURE

## LIST OF CHARTS

**WORLD CHIP-CARD MARKET OVERVIEW**  
WORLD PLASTIC CARD PRODUCTION—1998  
WORLDWIDE DEMAND FOR CHIP-CARDS—SHIPMENTS  
WORLDWIDE DEMAND FOR CHIP-CARDS—REVENUE  
REGIONAL DEMAND FOR CHIP-CARDS—1999  
FORECAST REGIONAL DEMAND FOR CHIP-CARDS—2005  
GROWTH IN CARD SALES BY CORE APPLICATION—1999–2005  
DEMAND FOR CHIP-CARDS BY TECHNOLOGY—1994–2005  
PROPORTION OF THE CHIP-CARD REVENUE BY CARD TECHNOLOGY—1994–2005  
PROPORTIONAL DISTRIBUTION OF SYSTEMS COSTS IN CHIP-CARD SYSTEMS  
REVENUE BY SYSTEMS COMPONENT, INCLUDING SERVICES—1994–2005  
BIOMETRIC INDUSTRY REVENUE – ALL TECHNOLOGIES—1994–2005  
FORECAST ANNUAL SHIPMENTS OF CHIP-CARDS IN CANADA—1999–2004  
ANNUAL CHIP-CARD MARKET GROWTH RATES – CANADA VS THE WORLD MARKET—2000–2004

**CANADIAN CHIP-CARD MARKET SUMMARY**  
FORECAST NUMBER OF CHIP-CARDS IN CIRCULATION IN CANADA—1999–2004  
FORECAST NUMBER OF CHIP-CARDS IN CIRCULATION, BY SECTOR—1999–2004  
FORECAST ANNUAL SHIPMENTS OF CHIP-CARDS IN CANADA—1999–2004  
FORECAST ANNUAL SHIPMENTS IN CANADA, BY SECTOR—1999–2004  
FORECAST VALUE OF ANNUAL CHIP-CARD SHIPMENTS IN CANADA—1999–2004  
FORECAST NUMBER OF CHIP-CARDS ISSUED ANNUALLY BY TECHNOLOGY—1999–2004  
FORECAST AVERAGE PRICE OF CHIP-CARDS ISSUED ANNUALLY IN CANADA—1999–2004  
FORECAST CUMULATIVE INVESTMENT INTO THE CHIP-CARD MARKET—1999–2004  
FORECAST ANNUAL INVESTMENT INTO CHIP-CARDS, INFRASTRUCTURE & SERVICES—1999–2004

**PROSPECTS FOR CHIP-CARD SYSTEMS IN THE BANKING SECTOR**  
FINANCIAL SECTOR ASSETS—1997  
COMPARISON OF ATM DENSITY AND USAGE IN VARIOUS COUNTRIES—1997  
PERCENTAGE OF ABM TRANSACTIONS PER CATEGORY—1997/1998  
PREFERRED METHOD OF PAYMENT  
ANNUAL NUMBER OF IDP TRANSACTIONS AND USERS  
NUMBER OF CREDIT CARDS IN CIRCULATION  
NET RETAIL VOLUME OF CREDIT CARDS IN CIRCULATION  
AMOUNT WRITTEN OFF TO FRAUD  
NUMBER OF CARDS FRAUDULENTLY USED  
GROWTH IN CREDIT CARD FRAUD  
VALUE OF FRAUD AS A PERCENTAGE OF DOLLAR VOLUME  
BREAKDOWN OF FRAUDULENT CREDIT CARD USE BY TYPE OF FRAUD—1998  
FORECAST NUMBER OF PAYMENT CHIP-CARDS ISSUED—1999–2004  
FORECAST NUMBER OF PAYMENT CHIP-CARDS IN CIRCULATION—2000–2004

ANNUAL INVESTMENT INTO PAYMENT CHIP-CARDS ISSUED BY FINANCIAL INSTITUTIONS—2000–2004  
INVESTMENT INTO, AND ROLLOUT OF, CHIP-CARD TERMINALS FOR PAYMENT APPLICATIONS—2000–2004

**PROSPECTS FOR CHIP-CARD SYSTEMS IN THE RETAIL SECTOR**  
RETAIL SALES BY CATEGORY  
FORECAST NUMBER OF CHIP-CARDS ISSUED BY THE RETAIL SECTOR—1999–2004  
FORECAST VALUE OF CHIP-CARDS ISSUED ANNUALLY BY THE RETAIL SECTOR—1999–2004  
FORECAST NUMBER OF CHIP-CARDS IN CIRCULATION IN THE RETAIL SECTOR—1999–2004  
FORECAST NUMBER OF CHIP-CARD TERMINAL SHIPMENTS FOR STAND-ALONE LOYALTY AND GIFT CERTIFICATE APPLICATIONS—1999–2004

**PROSPECTS FOR CHIP-CARD SYSTEMS IN VENDING**  
ACCEPTANCE OF FORMS OF PAYMENT BY VENDING MACHINE COMPANIES WITHIN THE NEXT FIVE YEARS  
ACCEPTANCE OF FORMS OF PAYMENT BY LAUNDROMAT OPERATORS WITHIN THE NEXT FIVE YEARS  
ACCEPTANCE OF FORMS OF PAYMENT BY PARKING OPERATORS WITHIN THE NEXT FIVE YEARS  
ACCEPTANCE OF FORMS OF CARD-BASED PAYMENT BY ALL VENDING OPERATORS WITHIN THE NEXT FIVE YEARS  
FORECAST NUMBER OF STAND-ALONE LAUNDROMAT CHIP-CARDS IN CIRCULATION—1999–2004  
FORECAST NUMBER OF STAND-ALONE LAUNDROMAT CHIP-CARDS ISSUED ANNUALLY—1999–2004  
FORECAST VALUE OF STAND-ALONE LAUNDROMAT CHIP-CARD SHIPMENTS—1999–2004

**PROSPECTS FOR CHIP-CARD SYSTEMS IN THE TELECOMMUNICATIONS AND BROADCAST SECTORS**  
CANADIAN TELECOMMUNICATIONS SERVICE INDUSTRY—1997  
CANADIAN WIRELESS COMMUNICATIONS MARKET—CELLULAR & PCS SUBSCRIBERS  
CANADIAN MARKET SHARES: PCS SUBSCRIBERS  
FORECAST INSTALLED BASE OF PAYPHONES IN CANADA, BY TECHNOLOGY—1996–2004  
FORECAST DIGITAL CABLE AND SATELLITE TV SUBSCRIBERS—1999–2004  
FORECAST GSM PCS SUBSCRIBER BASE—1999–2004  
FORECAST OF CARDS IN CIRCULATION ISSUED BY THE BROADCAST & TELECOMMUNICATIONS SECTORS—1999–2004  
FORECAST NUMBER OF CARDS ISSUED BY THE BROADCAST & TELECOMMUNICATIONS SECTORS—1999–2004  
VALUE OF CARD SHIPMENTS ISSUED BY THE BROADCAST & TELECOMMUNICATIONS SECTORS—1999–2004

**PROSPECTS FOR CHIP-CARD SYSTEMS IN THE TRANSIT SECTOR**  
FORECAST OF CHIP-CARDS IN CIRCULATION IN THE TRANSIT SECTOR—1999–2004

FORECAST NUMBER OF CHIP-CARDS ISSUED BY YEAR IN THE TRANSIT SECTOR—1999–2004  
FORECAST VALUE OF CHIP-CARD SHIPMENTS BY YEAR IN THE TRANSIT SECTOR—1999–2004

**PROSPECTS FOR CHIP-CARD SYSTEMS IN THE EDUCATION SECTOR**  
TOTAL ENROLMENT IN CANADIAN UNIVERSITIES & COLLEGES, BY PROVINCE  
FUNCTIONS FOR WHICH CARDS ARE CURRENTLY ISSUED ON COLLEGE & UNIVERSITY CAMPUSES  
LIKELIHOOD OF IMPLEMENTING CHIP-CARD TECHNOLOGY ON CAMPUS WITHIN THE NEXT FIVE YEARS  
FUNCTIONS WHICH ARE MOST LIKELY TO BE PLACED ON COLLEGE & UNIVERSITY CAMPUS CHIP-CARDS  
FORECAST NUMBER OF CHIP-CARDS IN CIRCULATION ON COLLEGE & UNIVERSITY CAMPUSES—1999–2004  
FORECAST ANNUAL SHIPMENTS OF CHIP-CARDS TO COLLEGE & UNIVERSITY CAMPUSES—1999–2004  
FORECAST VALUE OF ANNUAL CHIP-CARD SHIPMENTS TO COLLEGE & UNIVERSITY CAMPUSES—1999–2004  
FORECAST INSTALLED BASE OF CHIP-CARD READERS ON COLLEGE & UNIVERSITY CAMPUSES—1999–2004

**PROSPECTS FOR CHIP-CARD SYSTEMS IN THE HEALTH SECTOR**  
TOTAL HEALTH EXPENDITURES BY CATEGORY—1998  
FORECAST NUMBER OF CHIP-CARDS IN CIRCULATION IN THE HEALTH SECTOR—1999–2004  
FORECAST INSTALLED BASE OF CHIP-CARD TERMINALS IN THE HEALTH SECTOR—1999–2004

**PROSPECTS FOR CHIP-CARD SYSTEMS IN OTHER SECTORS AND APPLICATIONS**  
FORECAST NUMBER OF SKILLS DATA CARDS IN CIRCULATION—1999–2004  
FORECAST NUMBER OF SKILLS DATA CARDS ISSUED BY YEAR—1999–2004

**THE SUPPLY STRUCTURE IN THE CANADIAN CHIP-CARD MARKET**  
AWARENESS OF CHIP-CARD SUPPLIERS BY RESPONDENTS OUTSIDE OF THE BANKING SECTOR

### **NOTE ON FORECASTS**

Forecasts in this report cover a five year time frame, with the base year being 1999. Projections are prepared for 2000 through to the end of 2004.

Forecasts are based on interviews with suppliers, issuers, end-users and third parties in the Canadian market. In addition, TSI consultants—who have extensive experience in technological forecasting—have used their own experience and insight into the industry to refine forecasts.

For more details on the forecasting methodology used in this study, please contact TSI and request our brochure on forecasting.

## Who should subscribe?

**Card and terminal manufacturers and suppliers, card issuers and transaction acquirers, retailers and merchants, consultants, systems integrators, investors and government organizations** will all benefit from subscription to this important industry market analysis and forecast.

**Manufacturers, distributors and suppliers** of cards, terminals and systems need to ensure that they are able to meet the demand for chip cards. But the risks of gearing up too soon are high. And the void that exists in the area of **systems integration** needs to be addressed if the market is to develop in a coherent manner.

**Card issuers** need to be in a position to evaluate their own pilot project and rollout plans in the context of overall market evolution. And the issue of reliable sources of supply needs to be addressed at all levels in the supply structure.

**Merchants and retailers** need to assess and understand the benefits of adopting chip card technology. They also need to address other important issues. Is there enough commitment to the technology from the banks and other issuing institutions? At what stage of market evolution should the technology be embraced?

**Investors** need to ensure that their investment decisions are well-founded, based on sound and objective research into market opportunities, while **consultants** need to ensure that they are knowledgeable about developments in the chip card industry if they are to provide their clients with the best advice.

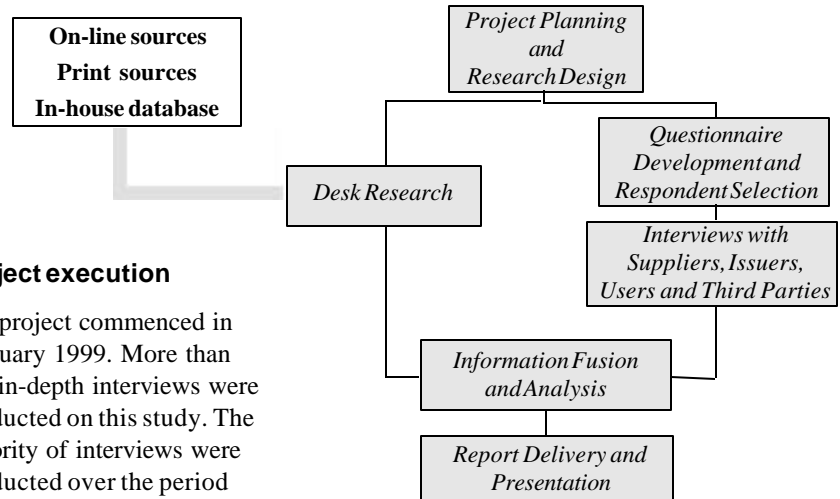
**Government** needs to understand how the industry will develop over the short and long terms in order to develop initiatives to facilitate development in a way which is beneficial to the country.

Organizations wishing to succeed in the Canadian market need to ensure that they have the best information available on how this industry will develop. This report provides that in a single source.

## About TSI

Technology Surveys International Inc. is a leading Canadian information technology consulting company, offering research-based consultancy services to a variety of technology driven industries. The company has been tracking developments in the plastic card and payment systems market in Canada for the past five years.

## TSI's Research Process



### Project execution

The project commenced in February 1999. More than 170 in-depth interviews were conducted on this study. The majority of interviews were conducted over the period August to November 1999. The final report was published in February 2000.

### Subscription price

The subscription fee for the study is \$7,950.00 per subscriber. The fee includes shipping by courier to any location in Canada and the continental USA.

This price excludes GST. Canadian subscribers must add 7% GST to the subscription fee (GST # 89477 7978). All prices are in Canadian dollars.

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