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<http://www.paymentsource.com/news/bmo-aims-to-be-out-in-front-in-us-emv-card-migration-3010449-1.html#>

## BMO Aims To Be 'Out In Front' In U.S. EMV Card Migration

By Kate Fitzgerald  
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For Bank of Montreal, the road to rolling out EMV payment cards in the U.S. is already mostly paved.

The Toronto-based bank was ahead of the curve in Canada's migration over the past several years to the EMV standard and plans to be "out in front" in its U.S. EMV rollout, Eric Hart, BMO's director of commercial card products, tells PaymentsSource.

"We learned in the Canada shift to EMV that being first is a big advantage, both for being at the forefront of preventing fraud and sending a message to customers that you are forward-moving on this," Hart says.

Visa Inc. and MasterCard Worldwide in recent months established a variety of incentives designed to compel the U.S. to adopt more-secure chip card technology used in most markets around the world by 2015 (see story).

<http://www.paymentsource.com/news/MasterCard-EMV-Liability-Standard-Leans-Toward-Chip-And-PIN-3009389-1.html>

Unlike most U.S. issuers, BMO and other banks based in markets that have already embraced EMV will have a bit of a technology-development advantage over domestic issuers, he suggests.

"We have the infrastructure, service, PIN-management, card management and relationships with card vendors already set up and fully integrated into our operations," Hart says. "Rolling out EMV in the U.S. for us will just be a matter of extending existing operations."

Hart declines to say exactly how many U.S. cardholders BMO has through its various U.S. card-issuing operations, including its BMO Harris Bank N.A. subsidiary and branches from Milwaukee-based Marshall & Ilsley Corp., which BMO acquired last year.

And the timetable for when BMO will fully roll out EMV to all customers is not yet decided, he says. But the effort is already under way, Hart says.

BMO early this year began issuing only EMV-standard chip-and-PIN cards to U.S. customers of its \$95-a-year upscale Diners Club Professional charge card.

BMO in January 2010 acquired the North American Diners Club card franchise from Citigroup Inc.; Discover Financial Services owns the Diners Club brand, which is issued by various franchises elsewhere (see story).

<http://www.paymentsource.com/news/bmo-financial-group-announces-agreement-acquire-2709861-1.html>

"We're issuing all new consumer Diners Club cards as EMV from this point on, and we will issue EMV cards to commercial clients based on our corporate customers' preferences," he says.

BMO's cardholder base is "nearly 100%" EMV in Canada, for both credit and debit cards, Hart says, adding that there may be "some" cardholders that still have magnetic-stripe cards that have not yet been replaced with EMV cards. The issuer has been steadily replacing mag-stripe cards with EMV cards for "the last few years," he says.

The challenge facing the U.S. in adopting EMV is the market's sheer scale, Hart observes.

"The basic (merchant acceptance) infrastructure in the U.S. has a long way to go," he says. "But in Canada, most large banks saw a market advantage in being first, and we want to do that in the U.S."