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Discover - From Sears to Morgan Stanley, still the cash back brand.

by Ted Hamilton

As the interest in credit cards grew in the 80's, more companies began to emerge. Sears, the largest retailer in the United States at the time, decided to get in on the action. The company had already bought several financial service companies so that it could build up its portfolio. The card originally had a symbol representing the Sears tower on the front. In 1993, however, Sears sold the Discover card and it was bought by a financial services firm which later merged with Morgan Stanley in the late 90's.

The first Discover card issued by the newly created company made waves in the industry. It was one of the first cards that carried no annual fee, which was unheard of at the time, and it had a higher credit limit than most cards carried. Cardholders could also gain cashback and, depending on how often they used the card, could gain as much as 1% back. It was also the first and only card accepted by U.S. customs for people to pay customs duty. The network itself has around 5 million merchants and cash access locations.

Discover also issues a number of credit cards for Wal-Mart and its wholesale warehouse store Sam's Club. Some retailers, like Sam's Club, only accept Discover credit cards and will turn down all other credit cards. In the U.S. the card has more than 50 million cardholders, but it is issued or accepted in a lot of places that are outside of the U.S. although it can function at ATM's worldwide. The Discover brand is currently starting to take off in countries such as Mexico, Costa Rica, the Caribbean Islands and many more that are in North America. In Canada, the card is accepted at most American tourist locations such as car rental places and hotels.

The biggest venture the Discover Network is currently undertaking is getting their card marketed in China. In 2005 they announced an alliance with China UnionPay Network that will let Discover cards be used at China UnionPay ATMs in China. Because of this deal, the Discover Card will become the number one American card accepted in China and it may come to pass that Discover card will be accepted at more China UnionPay ATM's and businesses throughout Asia.

Discover has around a dozen different credit cards. They all offer different things and have something for everyone. Their cards offer cashback, airmiles, cashback for money spent on gas and a variety of credit cards geared towards students. They also offer a credit card geared towards small business that offers 5% cashback on office supplies, 2% cashback on gas purchases and up to 1% on all other purchases.

by Ted Hamilton

Ted Hamilton is majoring in Magazine Journalism at Kent State University. A minor in Political Science along with membership at Society of Professional Journalists keep him busy when he is not writing for the Daily Kent Stater as a Feature's Correspondent.

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