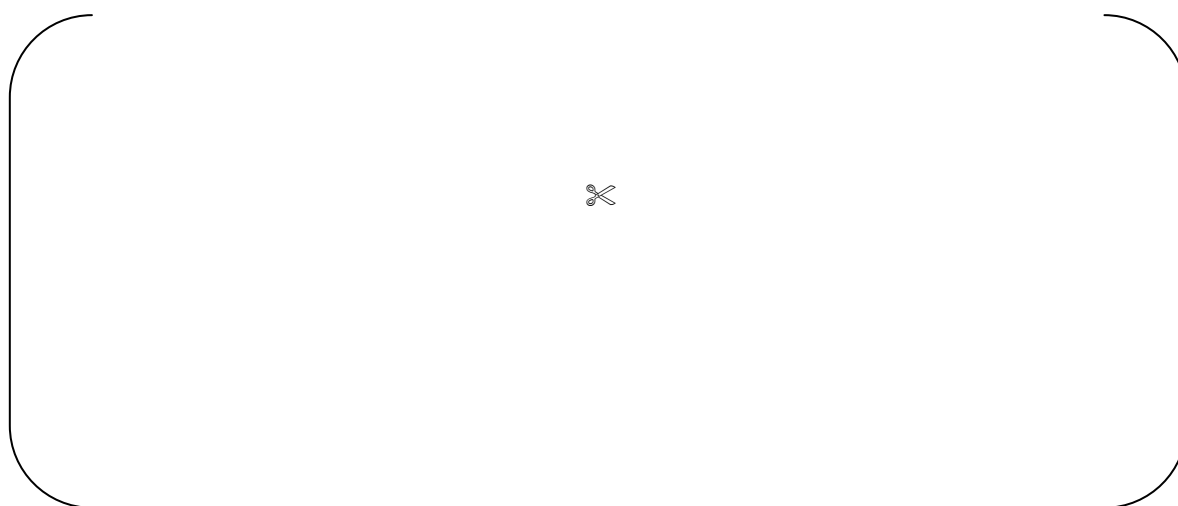


Payments to retailers

1. The figure below shows retailer payments between 1999 and 2004 for the four largest providers for which such payments were relevant (Marks & Spencer, Argos and JLP as in-house providers did not make any payments to third party retailers). Payments to retailers increased between 1999 and 2003. Increases in profit share payments were largely responsible for this increase for three of the providers. In 2004 the total level of payments made to retailers was lower than in 2003, but only in the case of one provider did the level fall below that of 2002.
2. The figure shows trends in payments by store card providers to retailers.

Trends in payments by store card providers to retailers



Source: CC analysis based on provider data.

3. Further analysis of payments to retailers is set out in paragraphs 11 and 12 of Appendix 8.1 (Income and costs of store card providers).