

# Amazon Wants to Dominate Office Supplies With Its Credit Card

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- Company fields bids for a co-branded card for small businesses
  - JPMorgan is among those bidding on card, people familiar say
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[Amazon.com Inc.](#) is planning to offer a credit card to U.S. small-business customers, furthering its push to supply companies with everything from reams of paper to factory parts, according to people with knowledge of the matter.

The e-commerce giant has been in talks with banks including [JPMorgan Chase & Co.](#) on a co-branded credit card for small-business owners who shop on its website, said the people, who asked not to be named discussing private negotiations. An Amazon spokesman declined to comment.

Seattle-based Amazon, the world's largest online retailer, has been looking for a way to replicate in the workplace the success that's made it a go-to shopping destination for households. In October, the company [launched](#) <https://www.bloomberg.com/news/articles/2017-10-24/amazon-launches-business-prime-to-bring-quick-delivery-to-work> a Prime membership program offering fast free delivery for businesses, which was seen as a way to grab market share from factory-equipment providers such as WW Grainger Inc. and Fastenal Co. and office-supply stores like Staples Inc. and Office Depot Inc.

Amazon is hoping the new credit card, which will feature rewards points for purchases, will also let it eventually add offerings such as business insurance through a portal designed for its small-business customers, according to one of the people familiar with the matter. Amazon could use customers' transaction data to help tailor the rewards, this person said. The retailer has [already lent](#)

<https://www.bloomberg.com/news/articles/2017-06-08/amazon-s-lending-business-for-online-merchants-gains-momentum> \$3 billion to more than 20,000 small businesses that sell via its marketplace in the U.S., U.K. and Japan, Amazon said last year.

## Warring Banks

The battle for small businesses' spending has also been heating up among U.S. card issuers such as JPMorgan and American Express Co. Over the past few years, those lenders have debuted retooled [proprietary small-business cards](https://www.bloomberg.com/news/articles/2016-10-19/jpmorgan-turns-up-heat-on-amex-with-richer-reward-business-card) <https://www.bloomberg.com/news/articles/2016-10-19/jpmorgan-turns-up-heat-on-amex-with-richer-reward-business-card> as well as new [co-branded](https://www.bloomberg.com/news/articles/2017-12-05/amex-scores-a-starwood-win-as-marriott-opts-for-duel-issuers) <https://www.bloomberg.com/news/articles/2017-12-05/amex-scores-a-starwood-win-as-marriott-opts-for-duel-issuers> offerings for such customers.

A representative for JPMorgan declined to comment.

AmEx says it is the top card issuer for U.S. small businesses and that its portfolio is larger than its five nearest competitors combined, according to a presentation last week. The New York-based company doesn't disclose total purchase volume for the category. In 2016, small businesses spent about \$72.9 billion a year on JPMorgan's credit cards, \$46.7 billion on Capital One Financial Corp.'s and \$15.6 billion on Citigroup Inc.'s, according to a June 2017 edition of the Nilson Report.

AmEx shares slipped on the news, declining 1.4 percent to \$97.67 at the close of trading on Monday. The report also rattled stocks of AmEx credit-card rival Discover Financial Services and Amazon supply-chain competitors Grainger and Fastenal.

Amazon already offers two credit cards for consumers with JPMorgan and Synchrony Financial. Those cards come with as much as 5 percent cash back on purchases. The retailer is also in talks with JPMorgan and Capital One about [a product similar](https://www.bloomberg.com/news/articles/2018-03-05/amazon-in-talks-with-jpmorgan-over-checking-accounts-wsj-says) <https://www.bloomberg.com/news/articles/2018-03-05/amazon-in-talks-with-jpmorgan-over-checking-accounts-wsj-says> to a checking account that could help it lower the amount it spends on card fees every year.

