

ATM Maker Wincor Nixdorf USA Hangs Out The 'Help Wanted' Sign

By Frederick H. Lowe

Wincor Nixdorf USA, the United States-based subsidiary of Wincor Nixdorf AG, is following a much-different—and more positive—path than the one a key ATM-manufacturer rival is taking.

While NCR Corp. has announced plans to cut 5% to 10% of its 26,000-member workforce worldwide after a poor third-quarter performance, Wincor Nixdorf hired 84 engineers during the past month, and the company will hire an additional 100 workers, mostly engineers, in the next 90 days, Alan Walsh, Wincor Nixdorf USA vice president of banking, tells *ATM&Debit News*.

The new workers will serve the company's services unit, which repairs and updates ATMs and other products, such as teller cash-recycling machines, the company sells to banks, says Ulrich Seeman, Wincor Nixdorf USA vice president of services.

"We want to show our customers that we are committed to this market," Walsh says.

The services unit will cover the East Coast, the Southeast, the Southwest, the West Coast and the Pacific Northwest. "It will be a horseshoe shape of coverage," Walsh says. By the end of the year, the services unit plans to have its operations in 36 states.

The hiring moves come as Austin, Texas-based Wincor Nixdorf has generated much of its growth from sales of ATMs to JPMorgan Chase & Co., the nation's second-largest owner of bank ATMs, and to Wells Fargo & Co., the nation's third largest. New York-based Chase owned 15,038 ATMs and San Francisco-based Wells Fargo owned 12,352 ATMs as of Sept. 30.

Wells Fargo in December 2008 purchased Charlotte, N.C.-based Wachovia

Corp., which operates branches throughout the Southeast, and Chase in September of that year purchased Seattle-based Washington Mutual, which operates branches in the Pacific Northwest and the West Coast. The organic growth of its services unit also coincides with Wincor Nixdorf's planned rollout of its mixed-media ATM, which accepts checks and cash in a single slot, Walsh says. Wells Fargo is testing the ATM. Gil Luria, an analyst with Los Angeles-based Wedbush Securities, says Wincor Nixdorf is building its services staff because it is very small compared with NCR's and Diebold Inc.'s, another chief rival.

That said, Wincor Nixdorf is capturing business from Diebold and NCR, he says. As a rule, however, large banks buy ATMs from all-three vendors. Walsh says the U.S. market is competitive, but other than that he declined to comment on Luria's statement. NCR and Diebold both have reported that ATM sales within the U.S. market have been flat.

Wincor Nixdorf is scheduled to report its 2009 fiscal year-end results soon.

Wincor Nixdorf will pay the new employees annual salaries that will begin at around \$40,000, Seeman says.

Duluth, Ga.-based NCR is the world's largest ATM manufacturer based on annual shipments, and Paderborn, Germany-based Wincor Nixdorf is the world's second largest. Diebold is the world's third-largest ATM manufacturer. **ATM**