

Citibank plastic with a smile

The Associated Press
NEW YORK — Citibank, trying to combat \$1 billion a year in credit card fraud, said yesterday it will issue cards imprinted with photographs of cardholders.

The move is designed both to cut down on fraud and encourage cardholders to use their Citibank plastic more often, said Richard Srednicki, a general manager of the bank's credit card program.

Citibank, the largest issuer of bank credit cards in the nation, said it is the first company to offer mug shots of customers imprinted on their Visa and Mastercards.

A person using a stolen card can be easily detected, the bank said, noting fraud-related losses

cost the industry more than \$1 billion in 1991.

The new product comes a week after Citibank slashed interest rates for its best credit card customers. The new rates, which go as low as 13.9 percent, are viewed by industry analysts as a significant shift in credit card pricing.

Citibank customers can have their photograph taken for free at one of 98 Citibank branches through the New York metropolitan region. Other branches will offer the service later in the year.

Cardholders who aren't near a branch can mail in a passport size color photograph with a photocard request form that will be sent with upcoming billing statements, Sred-

nicki said.

The bank won't merely paste the mug shot on the card. Citibank developed new technology with Polaroid Corp., of Cambridge, Mass., and DataCard Corp., of Minnetonka, Minn., that digitally scans the photograph and prints it right into the plastic card.

"It is not an inexpensive technology. . . . It will cost us a substantial amount of money this year," said Srednicki. Citibank expects to recoup the investment through higher card usage and by keeping customers.

The bank plans to publicize the new photocards with a major advertising campaign beginning later this month.



The Associated Press
 n of their visa card in New
 ograph.



Strong quarter for Volumetric

By **Stephen Britton**

Staff Writer

The Volumetric Fund, the only mutual fund based in Rockland, finished the first quarter with a 3.2 percent rise in value.

For the three month period ending March 31, the net asset value for the Pearl River-based fund rose to \$15.38 from \$14.75 on Jan. 2.

Volumetric's 3.2 percent increase puts the fund well ahead of the 0.8 percent average decline for the 1,255 stock funds tracked by Lipper Analytical Services. It also surpassed the 1.1 percent decline for the 307 funds in Lipper's growth stock category.

Fund manager Gabriel Gibs attributes Volumetric's success to a formula that he developed nearly 20 years ago when he was a graduate business student at Pace University.

He chooses stocks based on trading volume rather than on other business fundamentals. Simply put, if the trading volume of a stock shows a significant increase along with its share price, there is a good chance that Gibs will purchase it. The stock is sold when the volume and price decline.

The strategy has worked well for Gibs. During the past 10 years, Volumetric has provided investors with an average annual return of 14.6 percent.

Among the biggest gainers for Volumetric have been Shaw Industries, a carpet maker, with a 209 percent increase since its purchase in 1990; Family Dollar Stores, a variety store chain, which rose 199 percent since it was acquired in 1990, and the tool maker, Black & Decker, which has increased 139 percent since it was bought in 1990.

The assets of the Volumetric fund have nearly doubled during the past year to \$8.4 million.

Despite the recent climb of the Dow Jones industrial average to a record 3,300, Gibs is bearish about stocks. He currently has 15 percent of the fund's assets in cash, anticipating that the market will decline in value.

"Short term, I am a little skeptical, but long term, I think the market will rise by 10 percent before the year is over," said Gibs.

Gibs also announced that Volumetric will hold its annual shareholders' meeting on May 7 at 8 p.m. at the Day's Inn in Nanuet.



STAR SEARCH:

Pop icon Madonna
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The Associated Press

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reported to have negotiated last year with Sony Corp. The contract covers seven years with an option to extend to 11 years.

According to the newspaper reports, the deal includes a renegotiated recording contract giving Madonna a \$5 million advance for each of her next seven albums and a 20 percent royalty rate.

Madonna said in a statement the deal "stands for the perfect marriage of art and commerce."

In an interview with The New York Times, she said her new company would be an "artistic think tank."

"There's a group of writers, photographers, directors and editors that I've met along the way in my career who I want to take with me wherever I go."

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