



A Visa card being marketed by Heritage Affinity Services, of Cedarhurst, benefits Israeli charities and offers product rewards based on spending. The cards bear images of the Israeli and American flags and the Western Wall.

Two guys from the Five Towns area who met in Israel hope to help Israeli charities while making money

## Heart and sold

BY SYLVIA ADCOCK  
STAFF WRITER

The solicitations for shiny new credit cards come all the time. The pitches usually end up at the bottom of the stack of junk mail.

But two residents of the Five Towns area believe they have a new idea that may allow them to stand out in a highly competitive market. Menachem Landau and Zev Dobuler's Cedarhurst-based company, Heritage Affinity Services, is offering a credit card that targets those with strong emotional ties to Israel. The two have partnered with US Bank to issue a Visa rewards card that gives donations to causes in Israel and at the same time offers rewards points for travel on El Al Airlines, hotels in Israel as well as more traditional products like electronics. One version of the card features the Western Wall; one shows a star of David and an American flag.

"We're going after a very specific demographic," said Dobuler on a conference call from Israel last week.

That demographic is one easily reachable through Kosher meat markets, Jewish festivals and schools, and even neighborhoods. Heritage also plans to use a very targeted direct mail campaign developed with help from Jewish charities.

U.S. Bank calls it "the first-ever Visa Platinum Card that earns great rewards and lets you support Israel-related charities with every purchase." It's also believed to be the first one to bring a number of smaller charities under one umbrella, and the first to target a specific cultural group.

Landau hopes the model can be expanded to other groups. For instance, he said, a card

for those with ties to Jamaica could provide donations to Jamaican charities and schools and put rewards toward flights to Jamaica and Jamaican products.

The two entrepreneurs -- who will only say they're in their late 20s -- both grew up in the Five Towns area but didn't know each other until their families relocated to Israel and they joined a group for English-speaking teens. After dabbling in a high-tech enterprise, they two decided to launch a venture that could help them make money here and in Israel.

It's been three years in the making, culminating with the partnership with U.S. Bank in recent months. The Minneapolis-based bank decided to enter the affinity market last year, said Tanya Turner, senior vice president of affinity products at U.S. Bank. The market has been dominated by



Menachem Landau and Zev Dobuler, founders of the credit card venture Heritage Affinity Services

MBNA (now owned by Bank of America) and J.P. Morgan Chase.

"We thought there was room for a third company," she said. The financial holding company currently has formed partnerships with more than 100 trade associations, alumni groups and other nonprofits to issue credit cards. Nationwide, there are more than 7,000 organizations that have partnered with banks to offer affinity credit cards.

The market is crowded. Less than one percent of those solicited with credit card offers actually respond, said Charlene Sullivan, associate professor of management at Purdue University. So the key is being able to stand out.

Sullivan said she has never heard of an affinity card that gives to a number of charities instead of being tied to one large organization. "I know I get a lot of calls from people who are interested in starting an affinity card, but the problem is that their group is too small," she said. "There are a lot of upfront costs and the risk profile is fairly significant."

The Heritage affinity card is currently tied to 13 charities; Landau said plans call for that number to grow to 40. They range from Zichron Menachem, a group that supports Israeli children with cancer, the Gush Etzion Foundation, which provides help for residents of a region south of Jerusalem, foundations that benefit hospitals in Israel, and a support group for Jewish couples struggling with infertility.

On the for-profit side, Heritage Affinity Services has teamed up with El Al Airlines, Dan Hotels Israel, Sheraton Hotels Israel, Avis Israel and Budget Israel. The rewards program also offers traditional prizes like flat-screen TVs and other electronics.