

Timeline: The ATM's history

There has been much debate about the history of the ATM, and who the inventor was. An article in the Summer 2000 issue of *Invention & Technology* magazine did an excellent investigative report which inspired the following timeline.

1960 – ATM predecessor installed – In 1960 New York's First National City Bank (now CitiBank) installed a Bankograph in several branch lobbies. The concept of this machine was for customers to pay utility bills and get a receipt without a teller.

1967 – First Cash Dispenser installation – In 1967 a Barclays Bank branch near London debuted the first cash dispenser, made by De La Rue Instruments. It used paper vouchers bought from tellers in advance.

The machine was called the De La Rue Automatic Cash System, or DACS. According to Mike Lee's 2002 interview with the inventor, John Shepherd-Barron, the paper vouchers were actually checks impregnated with Carbon 14.

1968 – Card-eating machine – In 1968 Barclays and a few other banks introduced a machine that encoded cash on plastic cards purchased from a teller. The problem was the machine always ate the card and you had to buy another one if you wanted another transaction.



Diebold's early ATM, called a TABS machine.

1969 – First use of ATM magstripe cards – In 1969 Docutel installed its Docuteller machine at New York's Chemical Bank – This is the first use of magnetically encoded plastic.

Chemical Bank's ad campaign said: "On September 3, 1969, our branch will open its doors at 9:00 a.m. and we'll never close again!"

Of course other manufacturers got into the game, but Docutel was the first to apply for a patent and is therefore credited by the Smithsonian Museum as inventor of the ATM, even though to us in the industry we see it primarily as the first modern magstripe machine.

Donald C. Wetzel is given credit for developing the machine for Docutel.

Docutel met initial resistance, though, from bankers – their first concern was that the annual cost was higher than the cost of a human teller by about \$8,000. And secondly, they thought customers would probably be afraid to let a machine handle their money.

1971 – First true bank ATMs – In 1971 Docutel introduced its Total Teller, the first true full-function bank ATM.

About the same time, Diebold installed its first TABS machine at a bank branch in the U.S., and Fujitsu installed one in Japan.

1973 – Proliferation begins – By 1973, 2,000 ATMs – most from Docutel and Diebold – operated in the U.S. They sold for about \$30K each.

1974 - On-line ATMs introduced – The newly connected machines soon led to the modern-day networks we're all familiar with.

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