



www.orga.com

ORGA

The company may be experiencing problems elsewhere but the ORGA website is a solid success. Attractively designed and easy to find your way around, the site is nevertheless deceptively large. Alongside the ubiquitous company info and news there is a comprehensive product run-down and background brochures to download on all the company key markets and offerings. However, most of the many documents available to download come straight from the ORGA PR machine and are therefore of probably less interest to non-ORGA customers. Other highlights include a card art library and a strong Smart Card glossary.

- Navigation
- Content
- Appearance



www.publicard.com

PubliCARD

Despite the attractive Flash-based homepage this site turns out to be a rather bland affair which has little to offer aside from company info and basic product run downs. The Smart Card section appears to direct people toward its subsidiary company Infiner (www.infiner.com), where unfortunately much of the information is just repeated. There is at least a PDF document to download, covering Infiner's ChipNet and Easy Card products. However, unless you are after specific news on the company neither site will be of little use.

- Navigation
- Content
- Appearance



www.cardsetc.com

Cards etc

Cards etc make a worthy attempt to establish their website as something more than a mere corporate page with a host of extracurricular features including technical tutorials, a weekly round-up of Smart Card-related news and a selection of interviews and guest articles by key industry figures. You can even download a free Cards etc screensaver. Elsewhere it's business as usual with product information and all the latest company releases. An uninspired site design and layout but certainly worth a visit for all the extras on offer.

- Navigation
- Content
- Appearance





New Gemplus CEO Sparks Board Row

Gemplus has finally unveiled its new permanent CEO nine months after the resignations of Antonio Perez and Chairman Marc Lassus last December. Alex Mandl, who was President and Chief Operating Officer (COO) of US telecoms giant AT&T from 1991 to 1996, took up the post on September 9th, replacing interim CEO Ronald Macintosh who stepped down in August.

Mandl said: "I am looking forward to leading Gemplus to secure its full potential in the fast moving Smart Card marketplace. I will be totally committed to that aim on behalf of our customers, employees and shareholders alike."

However, the appointment, which was alleged to have been pushed through by Gemplus' US based majority shareholder Texas Pacific Group, has already proved to be a controversial choice.

According to reports in French daily *Le Figaro* many Gemplus employees were concerned over Mandl's previous position at wireless company Teligent with whom he parted company last year. The paper stated that Mandl accepted a \$25 million 'golden handshake' when he left the company shortly before it was forced to file for insolvency.

There were further reports that the appointment was a ploy by Texas Pacific Group that would allow them to "acquire technical expertise" from Gemplus. The fears centered around Mandl's role in the CIA's venture capital technology unit In-Q-Tel, which some Gemplus employees had claimed could potentially compromise Gemplus' latest Smart Card technology.

One Gemplus director, Ziad Takkiedine, told the UK *Financial Times* that he voted against Mandl's appointment because the new CEO had not been "forthcoming about his CIA connection". Mandl insisted that he had no direct involvement with the CIA and that his involvement in In-Q-Tel only consisted of meeting four times a year with other board members. However, he later announced he was to quit his role at the company to ease the concerns of the Gemplus board.

Takkiedine's public rejection of Mandl appeared to cause outrage at Gemplus, with chairman Dominique Vignon forced into issuing an official statement: "I deplore both the fact that a Director has breached the confidentiality of Board discussions and in particular that he is quoted as uttering statements which are without foundation," he said.

The Gemplus board was also showing signs of impatience regarding an outstanding loan it had given to founder and former Chairman Marc Lassus which has still yet to be repaid. Gemplus, who had to take out a €66.9m non-cash charge to cover the loan earlier in the year, hinted that Lassus could be removed from the board if repayment was not forthcoming. However, Lassus said he had only ever demanded the same remuneration as any new top executive who joined the company.

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Please Note

The opinions expressed in *Smart Cards Now* are those of the individual authors and do not necessarily reflect those of Smart Card News Ltd, and its employees.

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Our Website containing daily News On-Line, and information about the full range of SCN services, can be found at the following address: www.smartcardgroup.com

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LEAD STORY



New Card Fraud Threat

A new fraud scheme which involves stolen card details being sent abroad via the Internet and counterfeit cards created and used to buy goods in several different countries simultaneously has been revealed by the UK's Association for Payment Clearing Services (APACS).

The UK payments industry body says tougher anti-fraud measures in the UK have driven criminals overseas and UK police are having to widen their net to track them. The report points to a sophisticated criminal network involving staff at local petrol stations, shops or restaurants where customers' card details are intercepted.

Fraud losses on UK cards used abroad by criminals are up by 34% costing £138 million last year, with the biggest losses occurring in Europe, amounting to £77 million (up 36%).

The greatest defence against card counterfeiting lies in the introduction of Smart Cards, says APACS. By 2005 every UK cardholder will be using a Smart Card and a PIN to identify themselves instead of a signature and fraud losses could be halved as a result.

Mexican Smart Card Roll-out

Mexican financial group Grupo Financiero Banamex plans to issue 200,000 Smart Cards by year-end as the country migrates from magnetic stripe cards.

Banamex credit card director Edgardo del Rincon told local financial daily *El Economista* that the new B-Card would be offered to all clients with a monthly income above 5,000 pesos (\$500).

"It is just the first step because there is still a lack of infrastructure both at points of sale, terminals and ATMs," he said.

China Approves Qianflex Card

SchlumbergerSema has launched the Qianflex Smart Card, which it says is now among those certified by the Ministry of Labour and Social Security (MOLSS) in China for use as a social security card in the country. The new card has multi-application capabilities.

Technique for Stacking ICs

Infineon Technologies has released details of a new technique to connect and package stacked integrat-

ed circuit structures using a soldering method called solid liquid interdiffusion (SOLID).

The company says that the new technology "significantly reduces the size of the electrical contacts in the package, leading to greater operating efficiency and contributing to overall cost savings."

The first prototype being produced is a Smart Card controller planned for next year.

Keycorp/Samsung Alliance

Keycorp has partnered with Samsung SDS to develop new implementations for the MULTOS Smart Card operating system. Initially the partnership will link-up with Mondex Korea using Samsung's 32K crypto-chip, the results of which are scheduled to be unveiled in the second half of 2003.

"This agreement reflects the increasing demand for secure technological solutions offering multi-application functionality," said Keycorp CEO Bruce Thompson. "Customers now have a greater choice of MULTOS Smart Card chips available on the market, and with interoperability between platforms, we expect a surge in the global multi-application Smart Card market over the next 12 months."

The royalty based agreement between the two companies is scheduled to last for seven years.

Ten New Members for ICMA

The International Card Manufacturers Association (ICMA) has announced ten new members as follows: principal members (card manufacturers) - Korea Multi System, Permalith Plastics, Thales Identification and Versatile Cards; associate members (suppliers) - 509 Technologies, HP Indigo USA and HP Indigo Division; contributing members - Bluefish Technologies and Fiala; and manufacturer's representative - West Coast Plastic Sales / De La Rue.

US Government Contracts

The US Department of Defense (DoD) last month announced two new middleware supplier contracts for its Common Access Card (CAC) program, and the US Department of the Treasury awarded a contract for a new Smart Card for employees.

Schlumberger has been awarded an estimated \$9.3 million contract to supply its CACTUS middleware, including software licenses, media and maintenance,





to function with the CAC. Schlumberger says it is the only CAC vendor to provide middleware for both the Linux and Microsoft Windows environments, enabling CAC Smart Card deployment to non-Windows users.

SSP-Litronic was also awarded a contract worth almost \$10 million to supply its NetSign middleware to allow users to digitally sign and encrypt e-mail, logon to their PC, and perform other cryptographic functions. The SSP-Litronic solution will also enable DoD applications to communicate with SSP-Litronic's Forte Smart Card tokens.

Treasury Card

A \$1.4 million Smart Card contract has been awarded to MAXIMUS by the US Department of the Treasury to design, develop and implement its new Electronic Treasury Enterprise Card for employees.

Around 9,000 employees at the Treasury Department, Bureau of Alcohol, Tobacco and Firearms, Bureau of Engraving and Printing, Federal Law Enforcement Training Center, Internal Revenue Service and Secret Service will be issued with Smart Cards as part of the initial roll-out.

The hybrid card will allow Treasury personnel to use a single card to facilitate both physical facility access (contact and contactless) and logical access (computer/network).

The Smart Card offers full support for biometrics, PKI and single-sign-on, as well as a number of other card-based applications.

Companies involved in the contract include Oberthur (card manufacture), Precise Biometrics (fingerprint biometric technology), SCM Microsystems (Smart Card readers) and HID and Indala (contactless access control), ActivCard (Smart Card software), and Actcom (physical security solutions).

Malaysia Chip Card Infrastructure

Malaysia's CASSIS International is to invest RM38 million (\$10 million) to build a chip payment card infrastructure that aims to ease the migration to Smart Cards in the country. The project is to be conducted in association with MasterCard.

Under the terms of the agreement, Cassis and MasterCard are to offer the first MULTOS-based Smart Card management service in the region.

CEO Chua Thian Yee said that MasterCard issuers would be spared from investing in costly hardware, building new teams or paying expensive licensing fees to provide value-added Smart Card features.

Sentry Cross Platform Support

Australia's Sentry Project Management has announced that its existing Smart Card e-signature application, ProtectID, is now available on the MULTOS and Java-Card platforms.

"We know the difficulties issuers are having with the number of different system components. That is why we aimed for a common interface so that your PC or other system software does not care if the card is a Java-Card or a MULTOS card," explained Dr Brian McKeon, Sentry's Managing Director.

Taiwan MULTOS Lottery Card

Taiwan's Taipei Bank has ordered 500,000 MULTOS-based Smart Cards for use in the country's national lottery.

The cards will include MasterCard's M/Chip credit and Mondex purse applications, and the bank says other applications such as loyalty, digital certificate or e-ticketing can be loaded in the future.

Foongtone, a Taiwanese Smart Card manufacturer, will produce the cards. KeyCorp, of Australia, is delivering the MULTOS operating system modules to Foongtone, with full shipment of units expected by the end of 2003.

For more information visit ...



Cardwatch

www.cardwatch.org.uk

SchlumbergerSema

www.slb.com

Infinion

www.infineon.com

ICMA

www.icma.com

SSP Solutions

www.sspsolutions.com

Keycorp

www.keycorp.com

Samsung

www.samsung.com

Maximus

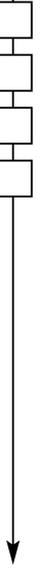
www.maximus.com

Precise Biometrics

www.precisebiometrics.com

Sentry PM

www.sentrypm.com





SCM Contracts in Korea and China

SCM Microsystems has partnered with Korean broadcast encryption developer ETRI to develop and supply conditional access modules based on the OpenCable and Point of Deployment (POD) standards for the Korean digital cable television market.

SCM will supply both the hardware platform and software development kit to enable ETRI to integrate its broadcast encryption system onto a removable module that is compliant with the OpenCable specifications.

The solution claims to protect against illegal copying or unauthorised access to broadcast content which has dogged the pay-TV industry in recent months, following numerous high profile cases of pay-TV Smart Cards being hacked and illegally distributed.

The company is also to provide its secure broadcast decryption technology to DTVIA - a provider of conditional access systems for the Chinese digital television industry.

SCM will provide DTVIA with open standards-based conditional access modules (CAMs) and the software development kit to enable DTVIA to port its conditional access software onto the modules.

The product - DTVIA's ChinaCrypt CAM will be officially unveiled at the upcoming International DTV Operation and Technology Conference 2002 in Beijing.

Cablevision and NDS Team

Scientific-Atlanta and NDS Group have teamed to integrate NDS's Open VideoGuard conditional access technology into digital interactive set-tops for Cablevision Systems Corp.

VideoGuard is aimed at enabling pay-TV businesses to protect content and safeguard transactions using a variety of methods including Smart Cards.

Smart Health Card for Sweden

HSB Card & Card Systems (The Netherlands) and healthcare information systems company Sigma Kommun & Landsting (Sweden) have signed a co-operation and distribution agreement for Smart Card solutions in the healthcare and public sector and plan to launch a Smart Card system on the Swedish market that functions as a medical record within the

healthcare system. The solution consists of software, card readers, cards and even mobile devices. Software and hardware will be installed in all kinds of healthcare institutions, such as hospitals, private practices and pharmacies.

Warwick University Campus Card

Bell ID, a subsidiary of London-based Bell Group, is to provide a campus card to the University of Warwick in the UK. The University will utilise the ANDiS Card and Application Management System (CMS/AMS) for central management of their Membership Catalogue, involving 30,000 Smart Cards to be issued to students, staff and visitors.

The ANDiS CMS/AMS will be available for authorised operators University-wide via a standard web browser, enabling decentralised registration of cardholders, their entitlements to the use of applications available, and status changes of cards and cardholders. All data will be stored in a central database, preventing duplication of data entry.

Johannesburg School Card

Standard Bank of South Africa, in association with Virtual Market Place (VMP), is participating in a multi-application Smart Card project at three Johannesburg schools - Northcliff High School, Dainfern College and Brescia House.

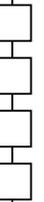
Students have been issued with Smart Cards, known as the MySchool Learner Card, which feature their personal details, photograph and school badge and are used to make cashless payments the school for vending machines and tuckshop. The card can also be used to pay for a variety of school-related items, such as school trips, photocopying and transport.

The objective is to reduce the amount of cash processed at a school and provide a more efficient and cheaper payment solution. VMP uses the technology services and expertise of Prism to facilitate the Smart Card transactions.

High-tech Laundry Uses the Web

If you have ever struggled down to the launderette with your washing, only to find all the machines are occupied, you will appreciate the new service provided by technology from IBM and USA Technologies.

The two companies are Web-enabling 9,000 wash-





ing machines and dryers provided by American Sales Inc (ASI) at US colleges and universities, eliminating much of the hassle associated with taking your washing to the laundry.

The new system, called e-Suds, replaces coin-operated machines allowing students to pay by their cell phone or with a debit facility on their ID card. While this part of the technology is not new, combining Smart Card and mobile phone payment systems with an Internet monitoring capability makes the system unique.

Students will be able to visit a Web site to find out when a machine will be available, select various functions, such as the dispensing of soap and fabric softener from storage bins attached to each machine. When the wash is done, they will be notified via an e-mail sent to their pagers or PCs.

Laundromat owners will go online to monitor machine performance and conduct proactive maintenance, as well as check filter clogs, water temperature and usage patterns - helping to reduce the need for on-site service calls.

"IBM's data integration and hosting expertise and USA Technology's point-of-sales systems and services are positioned to help drive the wireless vending industry forward," said Dean Douglas, Vice President, IBM Global Services. "IBM and USA Technology are making vending systems smarter as well as easier for the consumer and more secure from vandalism."

Unattended Load Kiosks

TeamLinux Corp and Smart Card company JAYD are partnering to integrate JAYD's Smart Card technology into Team Linux's custom designed kiosks to provide JAYD's commercial e-purse customers with unattended load stations.

The initial deployment of the new load station kiosks will begin in the greater Boston area of the US.

AP Major Growth Market for Chip

The Asia Pacific is a major growth market for chip cards and MasterCard says it has issued more than six million MasterCard branded Smart Cards in the region. This represents a 65% increase in Smart Card issuance in the region over a six-month period.

According to the company, approximately four million of the MasterCard Smart Cards use MULTOS

and are issued with payment applications, whilst another four million are EMV compliant.

MasterCard's Jeff Portelli said: "2001 was the watershed year for chip in Asia where many challenges to chip migration were addressed and financial institutions acknowledged the strong business case for issuing Smart Cards."

He pointed to Korea, Japan, Taiwan and Malaysia as the major growth markets for chip.

Catuity/KESM Loyalty Agreement

Smart Card loyalty specialists Catuity has signed an agreement with KESM Transaction Solutions to be the exclusive provider of the loyalty application for Belgium-based Banksys terminals.

The Banksys terminal - C-ZAM/Smash - is distributed in North America by BNA Smart Payment Systems, for which KESM also provides certified credit/debit applications. The Catuity loyalty application is expected to be installed along with payments on the multi-application terminal.

Finnish Transit Contract

ACG has been awarded a contract by Finland's Buscom Oy to supply 380 Dual Card Interface Reader modules for use in an integrated fare collection scheme in the city of Oulu.

The modules will be used in driver terminals and in dual interface card readers for contactless Smart Cards in check-in functions in 100 buses. The ACG modules are RFID 13.56 MHZ Dual Interface Reader modules that support both contact and contactless cards.

For more information visit ...

SCM Microsystems

www.scmmicro.com

ETRI

www.etri.re.kr

Cablevision

www.cablevision.com

NDS

www.nds.com

Scientific Atlanta

www.scientificatlanta.com

HSB

www.hsb.nl

Sigma

www.sigma.se

Bell ID

www.bellid.com

Standard Bank

www.standardbank.co.za

USA Tech

www.usatech.com

MasterCard Int'l

mastercardinternational.com

JAYD

www.jayd.com

Team Linux

www.team-linux.com

KESM

www.kesm.ca

Catuity

www.catuity.com

ACG

www.acg.de





DoD Tests Biometric Smart Cards

Identix and Northrop Grumman Information Technology have delivered to the Department of Defense (DoD) technical demonstrations to test and evaluate biometric technology as an added layer of security for the DoD's Common Access Card. The two companies have been asked to integrate fingerprint biometrics into a standard offering for testing and evaluation for the federal government's Smart ID card platform.

Bob Wilberger, Director, Smart Card Solutions for Northrop Grumman IT, said: "Having a Defense Department and GSA standard protocol for integrating biometrics and Smart Cards should go a long way to speeding the deployment of this much needed technology throughout government and corporate entities.

"We see a clear correlation between the results of the technical demonstrations and meeting the demand for Smart IDs in a variety of homeland security applications," said Identix President and CEO Dr Joseph J Atick.

Fingerprint ID at 60 US Airports

Biometric company Cross Match Technologies has installed its ID 1000 Live Scan fingerprint identification system in 60 airports in the US. The system is to be used to conduct criminal history record checks on employees that have unescorted access to secure areas as required by new anti-terrorist legislation introduced by the federal Aviation and Transportation Security Act of 2001.

The Live Scan system scans the prints of a person's ten fingers and forwards them in digital format to appropriate national and state law enforcement databases for criminal background checking.

Gemplus SIM Card Milestone

Gemplus has announced that its shipments of SIM cards has topped 500 million and claims that it has produced more than one in three of the 1.36 billion SIM cards in global circulation.

Biting the Security Bullet

"It is time for organisations to bite the bullet and secure at the application level," says Tom Secreto, CIO of Tangent Solutions. "This is the only way to maximise security for sensitive transactions."

Tangent has signed a five-year agreement with Security First Corporation to license its Ethentica Biometric Trust Engine for use in the financial industry.

Cansec Wins Product Award

Cansec Systems has been awarded a Product Achievement Award for Biometrics by the Security Industry Association (SIA) for its Access Control Device Zodiac - a Smart Card fingerprint product based on SecuGen's Optical Fingerprint Sensor. Cansec is a current SecuGen OEM partner.

Zodiac reads a fingerprint template stored in a contactless Smart Card or in a small stick-on 'BioPatch' which can be fixed to existing access cards or devices.

Bluefish SIM Alliance in China

Bluefish Technologies has partnered with Chinese Smart Card manufacturer The Zhuhai Eastcom Peace Smart Card Co. (ZEP) to establish ZEP as a major part of the Bluefish supply chain servicing its Asia Pacific and other worldwide offices. ZEP will manufacture cards from the BlueSIM product range as well as scratch cards for the pre-paid market.

Hutchison 3G UK Order SIM Cards

SchlumbergerSema has won a contract with the UK arm of Hutchison 3G to supply its Usimera USIM (Universal Subscriber Identity Module) Smart Cards.

T-Mobile 3G Platform

SchlumbergerSema has unveiled its next generation UICC (Universal Integrated Circuit Card) Smart Card platform for 3G UMTS networks. The technology was developed in association with Deutsche Telekom's mobile subsidiary T-Mobile Deutschland.

The company claim it has developed the "complete solution" to support T-Mobile's roll-out of 3G services, including cards, software development tools, specific applications, training, technical support, consulting and integration services.

High Level Security Certifications

It has been a good month for high level security certifications for Smart Card technology. SchlumbergerSema was awarded the Common Criteria EAL4+ Certificate for its Cyberflex JavaCard, ORGA's MICARDO Smart Card operating system was certified to ITSEC Level E4, Hypercom's ICE Card Terminal EMV kernel was certified by Japanese card issuer JCB, and Giesecke & Devrient received certi-





fication from the German Central Banking Organisation (ZKA) for its Secure Smart Card Operating System SECCOS.

Cyberflex Certified to EAL4+

SchlumbergerSema has been awarded the Common Criteria EAL4+ Certificate (a recognised security assessment standard that is complementary to the US FIPS certificate) by the French DCSSI (Direction Centrale de la Securite de Systemes d'Informations) in recognition of the high level of security provided by its Cyberflex JavaCard.

The card features include protection for the privacy of individuals, portability, convenience, sophisticated data storage, maximum flexibility, security and resistance to counterfeiting.

The Cyberflex 32K card is the first JavaCard product to receive accreditation for its operating system and applet, as well as its chip. SchlumbergerSema is the only JavaCard manufacturer to claim the integrated Digital Signature Applet as part of the entire certified product in compliance with the mandatory European CEN Protection Profile.

ITSEC E4 for ORGA MICARDO OS

ORGA's MICARDO Smart Card operating system (Elliptic Version 2.3 136/32 R1.0) has been certified to ITSEC E4 security evaluation (*see page 170*).

JCB Certifies Hypercom EMV Kernel

Hypercom Corp, a provider of electronic payment solutions, has announced that JCB has certified the EMV kernel for Hypercom ICE card payment terminals for use worldwide with JCB's J/Smart credit cards. This is the first time JCB has certified any payment terminal manufacturer for J/Smart outside of Japan, and the first time they have given anyone a global certification.

The EMV kernel is certified for use with all of Hypercom's ICE terminals including the ICE 5500, 4000, 6500 and 6000 models. The J/Smart certified EMV kernel is now available, and the first J/Smart installations outside Japan were made earlier this year in the UK using Hypercom ICE 5500 terminals.

"We are very excited with this achievement by Hypercom. With the certification of Hypercom's EMV kernel and ICE terminals, acquirers and processors worldwide can now fully support the J/Smart card, and that is very important to our customers," said Masahiro Omoto, Senior Vice President and head

of IC strategy at JCB.

Hypercom also announced a joint marketing arrangement with JCB to promote the acceptance of J/Smart cards and the sale of J/Smart-enabled Hypercom payment terminals worldwide.

ZKA Certification for SECCOS

Giesecke & Devrient (G&D) has become the first supplier to receive certification from the German Central Banking Organisation (ZKA) for SECCOS, its Secure Smart Card Operating System.

SECCOS serves as the basis for an electronic purse function and can enable electronic transactions to be encrypted and electronically signed. It supports a wide range of applications including national and international debit transactions including the German e-purse GeldKarte.

In a pilot project, HypoVereinsbank (HVB) in Munich has been issuing service cards with a digital signature function since May of this year, making it the first German bank to run a trial of this kind.

Catuity Loyalty Card Patent

Smart Card loyalty specialist Catuity has announced that it has been issued with a new patent for the operation of multi-application systems interactively across a range of acceptance terminals using magnetic stripe or Smart Cards.

For more information visit ...



Northrop Grumman IT
www.northropgrummanit.com

Identix

www.identix.com

Cross Match

www.crossmatch.net

Tangent Solutions

www.tangent-solutions.com

Bluefish Technologies

www.bluefish-tech.com

Gemplus

www.gemplus.com

SchlumbergerSema

www.slb.com

JCB International

www.jcbinternational.com

Hypercom

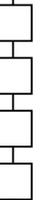
www.hypercom.com

ORGA

www.orga.com

Catuity

www.catuity.com





ORGA Faces Restructuring as Losses Force Sale of Parent Company authentos



Graham Carson

ORGA Kartensysteme, one of the leaders in the international Smart Card industry and a strong player in its native Germany, has suffered serious losses due mainly to the downturn in the Smart Card SIM (Subscriber Identity Module) market worldwide. Parent company APAX has been forced to sell its shares in the holding company authentos, which includes ORGA, for a minimal amount to the German banks who originally supplied the funds for the takeover last year.

According to reports in the UK's Sunday Times, APAX lost over \$160 million since its \$1 billion investment last year with the recession in the Smart Card market slashing sales in authentos by two thirds.

A spokesperson for APAX said: "The investment thesis was that Smart Cards would become mainstream currency in the telecoms sector and we still believe that. But with the downturn right across the world, telecoms companies have postponed their investment in Smart Card technology."

The authentos group comprises Bundesdruckerei which has 2,000 employees and specialises in high security technology from bank notes and personal documents to product and trademark protection; Security Printing and Systems, the UK's largest passport manufacturer with a workforce of 300; and ORGA, with 1,400 employees, producing systems, products and solutions for Smart Cards.

Last month two trust companies - JFVVG Neununddreißigste Vermögensverwaltung, Berlin (94%), and Dinos Vermögensverwaltung, Heidelberg (6%) acquired the shares of authentos shortly after the appointment of Dr Ulrich Wöhr as CEO of authentos and Bundesdruckerei. Until July 2000, Dr Wöhr was CEO of GEA AG, Bochum. Having also spent several years as the CFO of Metallgesellschaft AG and as the CEO of VDO Adolf Schindling AG, Dr Wöhr has extensive experience in restructuring businesses.

In a statement authentos said that the new shareholders would "press forward in implementing the necessary restructuring measures already initiated by management for the companies of the authentos group, in particular ORGA Kartensysteme. Their clear priority lies on maintaining and increasing the value of the group. Management and the shareholders believe that in this way the conditions can be established for involving a long-term, strategic investor in the group."

Details of the strategic restructuring plan are expected to be announced within the next few weeks and it is inevitable that there will be job cuts and further alliances and partnerships.

Like other Smart Card companies, ORGA has been focussing its activities during the year and, for example, is selling its stake in South African Smart Card company Integrated Card Technologies (ICT) to Nampak Group's technology arm NamITech. It has also launched a new international partner program for telecommunications companies aimed at developing end-to-end solutions built around SIM cards.

In the meantime there was some good news for ORGA with the announcement that its MICARDO Smart Card operating system (Elliptic Version 2.3 136/32 R1.0) has been certified to ITSEC E4 security evaluation. The certification opens the door for ORGA to begin using the operating system as the foundation for the Austrian e-card project which will see eight million Austrians use the card as an alternative to health insurance slips.

Smart Cards Now Talks to ORGA UK MD Graham Carson

What's your view of what happened?

There are different rules in different countries regarding various tests of liquidity. In Germany the accounting rules are a lot stricter which stretches back to the economic crisis they had in the thirties. The liquidity test undertaken is a lot more rigorous than one a UK or US organisation would deal with. Under these rules, there was technically a situation that could have existed but it was purely a technical situation.

Everyone had a rough year last year. When ORGA was purchased a lot of it was provided by loans from the





Helaba bank who had worked with APAX previously on a number of deals. Part of the deal, as I understand it, is that the German government gave back certain loans which would then be realisable at different times but their main interest was flotation - when a venture capitalist buys a company, flotation is always the intention.

With the downturn of the GSM market that was going to make it difficult to fulfil our obligations on the original loans.

How close did the company come to insolvency?

Personally I don't think it was as close as a lot of people were led to believe as I genuinely believe that there was always a deal that was going to be done. There was a lot of money at stake and it was certainly a case of finding out who was prepared to compromise first and how that would work between the three principal players - the German government, Helaba and APAX.

I don't think it was in anyone's interest to allow authentos to go into insolvency. We never got to the formal litigation process stage but there was a lot of talk that we were getting close to that point. But lines of credit are secure and I got paid and so did all staff. From a staff perspective it was a very worrying time but I don't think we were ever in a position where insolvency was likely to happen.

Would the end of authentos mean the end of ORGA?

The original agreement that was undertaken with APAX and all the deals that were done were carried out at the authentos level but as I understand it everything was linked. However, it was ORGA who caused the problem due to the downturn in the GSM market.

Did APAX pay too much for ORGA?

When you value something, it only has value based on what someone is prepared to pay for it. To that extent we were worth at that time what was paid. APAX bought us as part of the authentos group after a major year in the Smart Card industry - the most successful year ever. We also knew we were going to have a fantastic year in 2001, especially with Euro bank note printing with Bundesdruckerei leading up to the introduction of the Euro. If you ask anyone involved in the Smart Card industry they will tell you that the outlook for 2001 was superb.

They paid at the time what was considered to be right. Some of our competitors were in the final shake up and were talking about paying similar amounts of money just for ORGA. authentos got Bundesdruckerei and its companies as well. Some of our competitors were prepared to pay pretty much what APAX paid.

Who would they be?

[Laughs] I probably shouldn't say.

What is the situation now?

In essence, APAX has sold its interest in authentos. Lines of credit have been secured to enable authentos to be turned around into a profitable situation and we're currently working through the revised business plans. Helaba are likely to take a much more active role in terms of the day-to-day matters at the authentos level. There are still aspects of it that need to be worked out and because of the size of the deal it also has to be approved at the regulatory level in Germany.

What does the future hold for ORGA?

The focus that APAX gave helped us to manage the difficult last eighteen months but we've still got plenty of work to do. Our customers have been with us through-out this. I didn't even get my CV out during the process - that was how confident I was of a satisfactory outcome. What we have got now is a situation that is better than I anticipated.

Website

- www.orga.com





Job Threats At Miotec

Finnish Smart Card company Miotec has extended its review of business to cover the whole of the organisation following a review of production personnel, which has seen a number of jobs in the company under threat. Negotiations started on August 13th to examine the cost structure of the company. The review is expected to lead to the giving notice, laying-off or part-timing of up to thirty employees.

According to Miotec CEO Timo Friman the action is necessitated by greater-than-usual changes in the volume of phone card production and the delay of projects involving Smart Card and software products. "The continuity of Miotec functions and our ability to respond profitably to future challenges are being secured with these cost saving measures," he said.

Bell ID Reap Smart Card Profits

The latest financial figures from the UK's Bell Group have been boosted by the performance of its Smart Card subsidiary Bell ID, which made a profit of £500,000 in the six months ended June 30. The results mark a welcome upturn in fortunes for Bell ID who made losses of £500,000 for the same period last year. "The Smart Card business has really taken off," Patrick Curran, Bell Group founder and chief executive told the UK *Financial Times*.

Bell ID's involvement in the National ID card programme in the former Portuguese colony of Macao earlier this year was cited as a key factor in the strong performance. Mr Curran also noted that Bell's other core business, security systems, had continued to perform strongly especially in the UK and Ireland. The Bell ID figures saw the Bell Group announced pre-tax profits of £1.7m on sales up 21% to £31.7m. Shares in the group rose 9% in trading yesterday in response to the news.

Trintech President Resigns

UK payment solutions company Trintech Group PLC has announced that its President and Director John McGuire is to resign after fifteen years at the company to pursue 'other personal interests'.

Cyril McGuire, Chairman and CEO of Trintech said: "John has been an important part of the company for over fifteen years, and we would like to extend our thanks for his commitment and contribution over this period and wish him every success in his future pursuits."

Trintech said it does not have any immediate plans to appoint a replacement.

Changes at Keycorp

Australian secure electronic transaction solutions provider Keycorp has promoted Tim Fletcher from Global Product Manager, Access Devices to General Manager, Smartcard Technologies. He replaces Richard Cusson, who moves into a newly-created position of Regional Manager, Smartcards aimed at extending Keycorp's reach into global markets.

New Asia Chief for Welcome

Welcome Real-time has appointed Alex Tan as the new CEO of its Asia Pacific region. His previous experience includes being Managing Director of M-Payment, Managing Director of Thyron Technologies in Asia Pacific, Managing Director of ActivCard in Asia Pacific and General Manager for Hypercom Asia.

Hypercom Appointment

Hypercom Corporation has appointed Eric Duprat as Vice President, Marketing and Business Development for the company's Transaction System Group. Previously, he held executive marketing positions with VeriFone, Schlumberger Technologies and Polaroid Corporation's electronic identification division.

SCM Board Director

Former Deutsche Telekom CTO Dr Hagen Hultzsch has joined the board of directors of SCM Microsystems. He will concentrate on SCM's Security business, which focuses on providing secure access technology for the PC and digital television platforms to OEM customers worldwide.

Lifestream Director

Lifestream Technologies, the manufacturer of Smart Card-enabled home cholesterol monitors, has appointed Ronald A Kiima to its Board of Directors. He is President and CEO of Kiima, the consulting firm he founded in 1997.

For more information visit ...



Miotec

www.miotec.com

Bell ID

www.bellid.com

Trintech

www.trintech.com

Welcome-RealTime

www.welcome-rt.com

Hypercom

www.hypercom.com

SCM Microelectronics

www.scmmicro.com





Thales: Securing The Online World

by Matt Ablott, Smart Cards Now



Phil Naybour

Smart Cards Now talk to Thales e-Security MD Phil Naybour

Established in France more than a century ago, Thales now enjoys a global presence across its three key areas of Aerospace, Defence and IT security with operations in more than 30 countries.

The company has undergone a series of changes in the last five years including changing its name in 2000 (from Thomson CSF) and gradually moving away from its state-owned status under the French Government. Today the government control less than 40% of the company and more shares are expected to become available as the French government continues in its strategy of selling off its state-owned industries.

Phil Naybour cites two key areas within the e-Security division that will shape the company's development in the future - communications security for government and financial transactions security. Thales mission, according to Naybour, is to develop a 'total security solution' for both sectors.

On the transaction security side, Naybour notes that Smart Cards are an integral part of the new era of financial transactions but that the transition away from magnetic stripe banking cards will be a long process: "The global ATM network took 30 years to put in place as these are big infrastructures," he says. "But its starting to happen now."

"The next question is what additional benefits are there if everyone has a Smart Card. The clever issuers will be the ones who not only take advantage of the debit and credit functionality but the other facilities as well. It will probably happen in the corporate world first - it will be a long time before we sit at home with our Smart Cards doing everything on line."

However, Thales' role in the conversion to Smart Cards is more concerned with protecting the card rather than developing its applications. Naybour: "We're involved in supplying security mechanisms that provide the basic levels of trust in those infrastructures to be maintained at a high enough level for business to carry on."

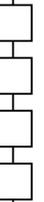
"With people like Visa and MasterCard the issue is always trust - if people lose confidence then they're in trouble. There is also the economic issue - the cost of fraud. Systems will die if costs outweigh the benefits and they become unprofitable."

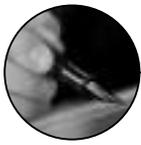
According to Naybour, underlying all Thales' work in the field is the simple premise that "certain parts of what I do must be kept private" and this applies not only to online transactions but also to businesses that operate their entire process online.

Naybour splits the Thales model into three separate layers that it needs to secure in order to provide an effective solution. Firstly, there is the host environment; second is a 'Front Office' environment which would typically be a front end (eg: Web based) to a transaction process, and finally the client side (eg: the home PC). According to Naybour, the home PC will never be a secure environment which is why tokens are so important. "The obvious token at the moment is the Smart Card," he says.

As the online transaction market matures, Naybour sites interoperability as one of Thales' key strengths. "A number of our competitors may support Visa or MasterCard but it is our intention to continue to offer the full breath of support," he says. "We are hoping that as multi-application cards become more prominent and purse standards become aligned (eg: purse as an application on an EMV card) things like currency conversion will be a thing of the past."

However, the ultimate challenge for Thales, according to Naybour, is to build a security mechanism that is dynamic and adaptable as well as secure. If the company achieves this aim they may still be around in another 100 years.





From Pen to PIN - A Giant Leap Forward?

by Nigel Beatty, Principal Consultant, EMV and Smart Cards Aconite Technology Ltd



Nigel Beatty

The move to Personal Identification Numbers for Retail Purchases and what it means for Consumers, Retailers and Banks

The migration of credit and debit cards to EMV Smart Cards is now less than three years away in the UK, and brings with it the most radical change to UK card payment systems for thirty years.

Whilst the UK is one of the world's most sophisticated card payments markets, it also suffers from some of the worst fraud. If losses due to fraud continue to rise at the current rate, they will reach £800m on UK-issued cards alone by 2005, according to APACS.

The prospect of further rises in card fraud losses makes the move to technologies that will eliminate a large proportion of this fraud much more viable in terms of a business case. The estimated £1.1bn overall cost of EMV migration starts to look like a good investment, and if the experience of other markets - where PIN at PoS has been introduced - is repeated, it will be justified. In France, the introduction of PIN, without the other benefits of Smart Card migration, cut PoS fraud from lost and stolen cards by eighty percent.

But the move to PIN at PoS also brings a host of new challenges. EMV migration is a major undertaking and card issuers, card acquirers and retailers will all have to carry out fundamental changes to their payment infrastructures that will, in many cases, take years to complete.

Banks have relationships with customers or retailers – or both – in their role as card issuer or transaction acquirer respectively. The procedures for issuing cards and the underlying security processes will change radically, as will the cards themselves. Issuers and acquirers face several challenges:

- The replacement of the entire UK card base - including any Smart Cards already in use.
- Upgrades to systems processing retail transactions to support Smart Cards – over and above PoS upgrades.
- The introduction of new PIN Management Services (PMS) for changing and unlocking PINs. Card issuers, networks (e.g. LINK) and other acquirers such as ATM operators will need to introduce PMS to minimise disruption and cardholder confusion.



The outlook for retailers is positive - despite a migration period of at least three years and inevitable teething problems. The need for a PIN pad at the PoS means that banks and retailers must upgrade or replace all PoS equipment – at considerable cost. But while the benefits for the banks are clear, retailers also stand to gain:

- Simpler point-of-sale procedures because staff no longer make decisions about signatures
- Reduced liability for fraud due to the advanced technology of the EMV card
- Faster checkout times with higher floor limits – particularly important for supermarkets

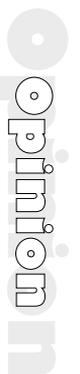
The PIN migration also offers retailers new opportunities for card acceptance at unattended terminals - vending, car parks and unmanned petrol stations, for example - where previously there was no means of verifying cardholder identity.

Contact

■ **Nigel Beatty** Principal Consultant, EMV and Smart Cards, Aconite Technology Ltd.

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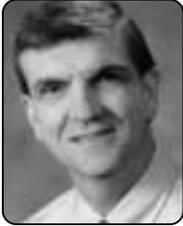
🌐 www.aconite.net





Advances in Card Inspection Technology

by Bill Knotts, President, Spartanics



Bill Knotts

Smart Card manufacturers and issuers need to take a second look at card inspection technology now available in the marketplace.

Costs of Manual and Semi-Automated Inspection Methods

Earlier inspection technology was notoriously fussy and not well adapted to the real-world conditions of a card manufacturing plant floor. Faced with such unreliability, many card manufacturers made the decision to bypass automation in favor of presumably more reliable human eyes. Alternatively, inconsistent inspection machines were used but systematically augmented with some level of human inspection to pick up where the presumed machine limits left off. For example, error definitions on these machines were purposely set broadly for a first run inspection. A second inspection run would use standards that are more stringent. A third or final inspection cycle was done by human operators. Whether fully manual or partially manual, these schemes added considerable time and cost to card production. In fact, these types of inspection costs are still considered by most card manufacturers as a normal operating expense and costs for multiple inspection cycles or fully manual inspection are folded into the prices offered to card issuers.

Beyond the higher cost of semi-automated or human inspection methods is the reality that these methods are NOT superior to reliable automation, and are actually inherently flawed processes subject to human limitations. Will an inspector at the beginning of an eight-hour shift read errors in precisely the same way at the end of that shift? Will inspector A, a long time employee, discriminate between acceptable and reject product in identical fashion as Inspector B, who was hired and trained in the last week? Of course, reputable card manufacturers using human inspection or semi-automated inspection will attempt to protect their customers from receiving defective product, but can only achieve this by using methods that either knowingly reject good cards to provide a safety zone or by adding slow and costly human inspection cycles. Again, these costs are considered normal operating costs and passed on to card issuers.

Yet, another potential source of hidden costs in card manufacturing plants with manual or semi-manual inspection methods is the hit-or-miss nature of process control in such scenarios. Errors need to be somewhat gross and repeated to typically register with human inspectors as signaling needs for adjustments to various earlier stages in the manufacturing process. Any automated method that can pick up more subtle process shifts can again lower manufacturing costs by reducing the time and material costs that go into manufacture of a defective product.

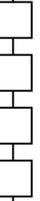
Single Run Inspection Technology

Luckily for card manufacturers and card issuers alike, numerous advances in engineering techniques have made single run inspection systems and automation for process control newly possible. The technological advances that underlie this achievement are largely in the areas of image processing, more stable optical instruments, and better material handling mechanisms. In early 2002, for example, Spartanics was able to introduce the first card inspection machine that guarantees 100% single run inspections by combining the advances in these fields with the modular designs that have made Spartanics' counters and punching equipment predominant among global card manufacturers.

To be continued ❖

About the Author

Bill Knotts, is President of U.S.-headquartered Spartanics, (www.spartanics.com) a specialist in the engineering and manufacture of high volume optically-guided card punching systems, and automated counting and inspection technology. Spartanics' worldwide service organisation also maintains offices and spare parts in the UK. Mr. Knotts may be contacted at +(847) 394-5700 or billk@spartanics.com





Controlling Smart Cards and Tokens Over a Network

by Dr David B Everett, Technical Director, Smart Cards Now



Dr David B Everett

Many people have expressed concerns over the viability of securely controlling a large population of Smart Cards or tokens once they are out in the field. The idea of routinely updating the secret keys or certificates in the cards and tokens would seem an insurmountable problem. Smart Card Management systems are one way of controlling such large populations but were designed primarily to manage multi-application Smart Cards and in some instances may well be a sledge hammer solution to a very small nut. In the commercial world there are many applications where it is necessary to control the population of Smart Cards and tokens directly across a network. For example the use of Smart Cards for providing the cryptographic node of a VPN in say a wireless network may require regular updates from the system administrator. Nobody wants to recall 500 cards so how can we do that remotely in a secure ways? There are products in the marketplace such as Microexpert's NDC (www.microexpert.com) that are designed for this task but in this series of articles we are going to look at the technology behind such solutions to better understand their scope of operation.

Lets start our review by having a look at cryptography. Today cryptographic algorithms apply some mathematical transformation of the input data to produce a cipher. Sometimes, in the case of a one way function, this process cannot be reversed and the algorithm only acts in this single direction. In figure 1 we can consider the classical model..

In modern cryptography the algorithm is usually public in that it is published and well known. Algorithms such as DES (Data Encryption Standard) and RSA (after the inventors Rivest, Shamir and Adleman) are referred to in almost any book on security. In this case the strength of the cryptographic process is entirely dependent on keeping the key secret. In a military environment the algorithm is usually kept secret (or heavily restricted) on the grounds that any information is useful to an opponent. In some cases the algorithm is kept secret on commercial grounds in that the inventors do not want to make their IPR (Intellectual Property Rights) freely available for all to copy or use. The use of patents may not be the best way to control the relevant commercial value. Regardless of the approach adopted the keys are fundamental to the overall process.

If we refer to *figure 1* we can see that the encipherment algorithm operates using key 1 on the input data to produce a cipher. The decipherment process uses key 2 in order to recover the original message from the input cipher.

Events Diary

October

1 - 3 Cards Africa 8th Annual Event, Johannesburg, South Africa

Debbie Bakos
Cards Africa
Tel: +27 (0)11 463 2802
Email: debbie.bakos@terrapinn.com
Website: www.terrapinn.co.za/event/E1058/

1 - 3 Public Access Wireless LANS Operator Business Models, Marriott Hotel, Lisbon, Portugal

IIR Telecoms & Technology
Tel: +44 (0)20 7915 5055
Email: registration@iir-conferences.com
Website: www.iir-conferences.com

2 - 3 Enterprise Wireless Technology 2002, Olympia 2, London, UK

ReedExpo
Ticket Hotline: +44 (0) 870 429 5343
Email: ewt@reedexpo.co.uk
Website: www.enterprisewireless.co.uk

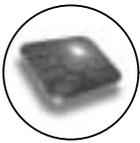
2 - 3 Retail Automation Conference 2002, Café Royal, Regent Street, London, UK

RMDP
Tel: +44 (0) 1273 722687
Website: www.rmdp.co.uk/events/ra2002/about.htm

2 - 4 Information Security Solutions Europe, Disneyland Paris, France

Linda Lucas
EEMA





When key 1 equals key 2 then this is referred to as a Symmetric Algorithm of which DES (and more recently Rijndael) is a typical example. When key 1 does not equal key 2 then we are referring to an asymmetric algorithm. RSA is probably the best known example of an asymmetric algorithm.

Symmetric cryptography is probably the easiest to understand because it is intuitive. The idea of processing the data with a key and then reversing this operation with the same key all seems to make sense. Lets look at what this means in practice (*figure 2*).

The transmitter, using an algorithm such as DES, enciphers the message using his secret key. Clearly if the key is not kept secret then any eavesdropper on the network could decode the message. The resultant cipher is transmitted across the network where the intended receiver uses the same algorithm (in this case DES) and the same secret key to decipher the message. What is readily apparent here is that both parties must keep that key secret. If either one of them is careless in looking after the key then the security link is broken. The other point to notice is that if you find an enciphered message on the network you cannot tell just by looking at the cipher which party was responsible for its generation. Since both parties have the same algorithm and the same key, either could have generated the message. This is a very important consideration in a commercial environment and is particularly critical in electronic commerce where it is usually necessary to authenticate the source of a message.

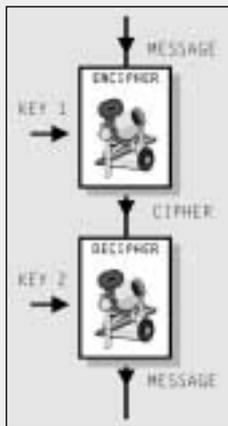


Figure 1
The Classical
Cryptographic Model

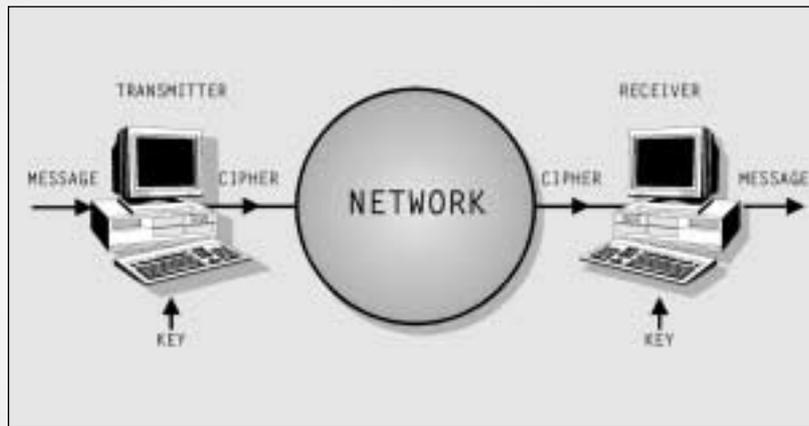


Figure 2
Symmetric Cryptography

To be continued ❖

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<p>8 - 9 International Biometrics 2002, Sheraton, Amsterdam Airport, The Netherlands</p> <p>IIR Telecoms & Technology Tel: +44 (0)20 7915 5055 Email: registration@iir-conferences.com Website: www.iir-conferences.com</p>	<p>21 - 23 TMA2002, Brighton, UK</p> <p>Matthew Pudney / Nicola King MPA Tel: +44 (0) 20 7395 0293 E. mail: n-king@easynet.co.uk Glenn Powell / Rachael Stroud CMA Tel: +44 (0) 1372 361000 Email: rstroud@thecma.com Website: www.tma2002.com</p>
<p>10 - 11 kontiki Conference, Saarbrücken, Germany</p> <p>kontiki Working Group in Contactless Chip Card Systems for Electronic Ticketing Wiesbadener Weg 6 D-65812 Bad Soden Germany Tel: +49 171 31 40 864</p>	<p>22 - 24 Infosecurity China, Beijing Exhibition Center, China</p> <p>Reed Exhibitions Website: www.infosec-china.com</p>





Smart Card News On Line: Round-Up

Smart Card Group's *Smart Card News On Line* service is emailed to subscribers every working day, reporting on industry events as they happen. This service is available FREE to *Smart Cards Now* subscribers (£100 per year for non-subscribers). For further details and to sign up please contact Amanda Pearce - amanda.pearce@smartcard.co.uk; tel: +44 1273 515651 (further contact details are available on page 163). Here's a selection of the headlines we covered in August:

Corporate

- Gemplus Appoint New CEO
- Ex-AT&T Chairman In The Frame For Gemplus Job
- Bell ID Reap Smart Card Profits
- Gemplus Sign Up LBS Partners
- Bundesdruckerei Sold To Debtors
- Gemplus Reach SIM Card Milestone
- Hutchison 3G UK Order New SchlumbergerSema SIM Cards
- Still No Sign Of New Gemplus CEO
- Welcome Real Time Announce New Asia Chief
- MasterCard Enjoy Fruitful 2002
- SchlumbergerSema Card Wins Chinese Approval
- Job Threats At Miotec
- ARM Appoints New Board Of Directors
- Intellect Europe Sign Up Flint Smart.
- First Data Subsidiary Focus On Brazil
- Thales e-Security Opens Offices In Brighton UK
- iRV And MWG Form Distribution Alliance
- ScreenCheck Set Up Indian Smart Card Outlet
- PrimeHoldings Announce Smart Card Expansion
- NDS Court Costs Reach £1.6bn
- ActivCard Post Record Revenue Despite Losses
- Gemplus Lose Humetrix Court Case
- Viisage Announce Quarterly Results
- Hypercom Chase New Business Sectors
- CellPoint and TrackWell Join Forces

Government

- Moscow Card Set For Roll Out
- US Govt. Award Employee Smart Card Contract
- DoD Tests Biometric Smart Card Capabilities
- Malaysia Build Smart Card Infrastructure
- SSP Win DOD Middleware Contract
- Myanmar e-Passport Rolls Out
- DoD Adopt New Schlumberger Middleware
- US Treasury Develop Employee Smart Cards
- Mexican Smart Tax System Goes Live

Banking

- MasterCard Smart Cards Reach 6m In APAC

- Level Four And ACI Form EMV ATM Alliance
- SchlumbergerSema Win Norwegian Card Contract
- UK Merchant Adopt Verified By Visa
- Mexican Bank Plan Smart Card Roll Out
- Logica Join Visa Program In APAC
- Smart Cards To Deal With New UK Fraud Threat
- Perfect Plastic Expand Smart Visa Range
- WorldPay Adopt MasterCard UCAF
- JCB Card Reaches 3m Milestone
- Thailand Confident Of E-Purse Success
- EMV Cards Make South African Debut
- GZS Select Arcot Certified By Visa Solution
- Malaysian EMV Loyalty Card Bites The Dust
- French Bank Select Arcot Visa Solution
- Diebold Awarded ATM EMV Certification

ID & Authentication

- Tangent License Biometric Solution
- Swiss e-Bank Adopts VASCO Identity Solution
- CardTech Identity Conference Announced
- US Plan Biometric Passports For Visitors
- PinkRocade And Bell ID Launch Smart Card Service

Academic

- UK University Adopt Smart Card Scheme
- South African Schools Trial Smart Cards

Telecoms

- Bluefish Form SIM Alliance In China
- Telekom Malaysia Launch Mobile Payment Service
- IBM And paybox In Wireless Payment Alliance
- Nigeria Enjoy \$1bn GSM Windfall
- Siemens Scales Down Telecoms Businesses
- New Alliance Offers Mobile Payments

Technical

- Samsung Invest \$5.2bn In New Generation Chips
- ORGA Secure Smart Card OS Milestone
- Sentry PR Announce Cross Platform Support
- G&D Awarded SECCOS Certification
- Infineon Develop SOLID Chip Technique

- OmniTek Launch Contactless Reader Family

Retail

- JAYD Develop Unattended Smart Card Kiosks
- Cautuity And KESM Forge Loyalty Agreement
- KIL Launch Indian e-Purse
- Paymentech Integrate Arcot Payment Suite
- FreeStar Launch Latin American POS Solutions
- Hypercom Win \$13m Terminal Contract

Transport

- BPCL launch Petro Smart Card In India
- Dubai Airport Adopts Smart Card Check In
- ACG Win Finnish Transit Contract
- Biometric Checks Installed At 60 US Airports
- Los Angeles Launch Transit Pass Scheme
- Iris Lifted By Smart Passports
- InfoCard Build On MOT Smart Card Contract
- Malaysia Launch Smart Card Parking System
- G&D To Supply European Transport Smart Cards
- Johannesburg Adopts Smart Bus System

Healthcare

- ORGA And Precise Biometrics Form Health ID Alliance
- Taiwan Launches Health Care IC card

Leisure

- Kudelski Hit By European Digital TV Fall Out
- Taiwan Launch Multos-Based Lottery Card
- SCM Secure Chinese Digital TV Software
- SCM Solution To Secure Korean Digital TV
- Smart Chip System Licensed By RNG Gaming
- TV Smart Card Piracy Hits NTV Plus

Misc

- 2002 Smart Card Alliance Conference Unveiled
- ICMA Sign Up Ten New Members

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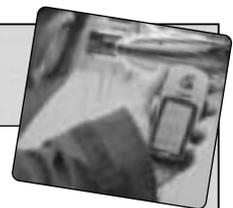
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- Smart Cards Now** UK £475
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Credit Card
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Expiry Date
Signature

Name
Company
Address

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Email



SCN Celebrates Tenth Anniversary

This month Smart Card News Ltd, publishers of *Smart Cards Now*, celebrates its tenth anniversary. The publication, launched by Patsy Everett in 1992, began like most successful enterprises in a modest way with a small office at the rear of a shop in Brighton, England. There was barely enough room for your editor and a general assistant so Patsy worked mostly from home. We relied heavily on the guidance of Dr David Everett, our Technical Advisor, who has continued to put his mark on the publication as the technology becomes ever more complex.

Sceptics said there was not enough news on Smart Cards to produce a monthly newsletter of twenty pages. But we proved them wrong. Your newsletter was the first to use colour photographs of Smart Cards and the first to provide tutorials on Smart Card technology.

A decade ago companies seemed surprised but also delighted that we were interested in what they were doing and wanted to tell the world. In those days we wrote about memory cards and microprocessor cards with 8K bytes of EEPROM. In issue number one we reported on the first large-scale public use of a Smart Card combined with fingerprint biometric technology to control access at Expo >92 in Seville, Spain. Denmark started the first trial of an electronic purse card. In the UK, banks were looking at Smart Cards for cardholder verification and reducing fraud. Trials of contactless Smart Cards in public transport were announced in Greater Manchester and by London Transport. BskyB was the biggest user of Smart Cards with over one million in use for pay-TV.

SCN has continued to innovate with a daily News On Line service delivered by e-mail; a jobs page; a PDF archive of everything we have written over the last ten years, including industry reports, technical articles, and a directory of companies; and an unrivalled library of over 600 Smart Cards viewable at our website. All of us at SCN look forward to continuing to bring you the latest news and developments in the Smart Card industry around the world.



1-1-1



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It's amazing the things people worry about. Like EMV migration.

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Susan Thompson,
Financial Marketing Director
Needs to know she can move
to EMV and still support
multi-applications.

Andrew Richards,
Bank Managing Director
Wants to know his EMV
solution is value for
money and compatible
for the future.

Duff Wilson, IT Director
Doesn't know how to
minimise the changes to
his host system when
moving to EMV.

Tom Davies,
Financial analyst.
Found the
EMV migration
reassuringly easy.



With Thales P3™ there's no need to worry. It's the world's best-selling migration tool, setting the future proof benchmark for an easy move to EMV (Europay, Mastercard, Visa Standard). Creating EMV data from magnetic stripe files, P3™ generates cryptographic keys that safely secure customer details through card personalisation and beyond. All with minimum changes to your host systems. Enabling you to have complete in-house control over EMV card security. Even with multiple applications and external bureau personalisation. Find out more by visiting www.thales-eseurity.com/p3 and downloading your free 'EMV-Easy Migration Guide'.