



www.aconite.net

Aconite

UK-based Aconite are one of the Smart Card industry's rising stars and its website manages to invoke a professional company image. The latest issues of the company's 'Converge' periodical are available for download (PDF) and are well worth a look for those interested in Aconite's core EMV space. The White Paper section features a small but useful range of technical documents which are also predominantly concerned with EMV, although a lot of the content duplicates that found in the newsletter. Other areas of the site are sound and include details of all the upcoming company workshops. Site design is functional rather than adventurous but the site remains a very useful resource for those researching EMV.

- Navigation
- Content
- Appearance



www.incard.it

Incard

There is perhaps a little too much Flash-based animation on show here than is necessary, but is at least executed well and does not impair browsing. Pages further into the site are chiefly concerned with promoting Incard's core products (such as its MOKARD 32 Bit Java GSM Card) but unfortunately there is not much here that will be of interest unless you are researching specific information on the company. A whole page is dedicated to Incard's involvement at various exhibitions (including links through to the exhibition websites) but the fact that Incard's presence at Cartes 2002 is still being promoted a full three months after the event suggests the site is not refreshed on a regular basis. Looks good — but ultimately disappointing.

- Navigation
- Content
- Appearance



www.datakey.com

Datakey

Another brave attempt to construct a website that looks a little bit different from the rest and for once there is some useful content behind the web design gimmicks. It is worth heading straight for the 'White Paper' section (under 'Resources') which lists an impressive range of papers from both Datakey and the Smart Card Alliance. The rest of the resources section is concerned with customer focussed materials such as downloadable documentation and user guides, but there is also a glossary that could be useful for the Smart Card novice. Elsewhere, the site is concerned with the mandatory corporate information (investor relations, details on resellers, etc) and everything is where you would expect to find it. There are some minor gripes (eg: slow loading pages) but it is generally a solid website.

- Navigation
- Content
- Appearance





GSM Subscribers to Reach 1bn by End of 2003

During late 2003 or early 2004, the global number of GSM subscribers will break through the one billion mark, according to the GSM Association which is the voice of the world's wireless industry.

It is estimated that at the end of 2002 there were 787 million GSM subscribers across 190 countries and growth continues with more than 160 million new customers in the last twelve months. Since 1997, the number of GSM subscribers has increased by a staggering ten-fold.

This is comforting news for Smart Card SIM (Subscriber Identity Module) manufacturers and suppliers who suffered in 2002 from over-production and a downturn in the market worldwide.

Craig Ehrlich, Chairman of the GSM Association's CEO Board said: "The impact that GSM has made over the last decade cannot be understated. It has changed the world — as signified by one in every seven people on the planet that use GSM services today. Growth continues at a pace — it now accounts for more than 72% of the world's digital wireless market — and we fully expect to achieve one billion customers around the turn of this year.

"With such massive momentum, it is easy to understand why eight out of ten of the world's digital wireless carriers, who have made their 3G technology choices, have selected and invested billions of dollars in the GSM family platforms of GPRS and W-CDMA as their next generation technologies of choice globally," he added.

As further evidence of GSM's continuing advance and evolution, the Association confirmed that there are more than 140 data enabled GPRS networks commercially deployed with a further forty currently in construction. Customers are already beginning to enjoy advanced, feature rich data services, such as Mobile Multimedia Services (MMS) including picture messages and other leading edge wireless applications.

Rob Conway, CEO of the GSM Association, said: "This consistent growth demonstrates that GSM continues to be the most successful open standards model in the wireless world and possibly the fastest growing technology ever."

Craig Ehrlich, an Executive Board Member of SUNDAY, the Hong Kong-based mobile phone network operator he launched in 1996, was appointed Chairman of the GSM Association's CEO Interim Board at the beginning of the year.

The GSM Association has the strategic goal of identifying, prioritising and accelerating the development of seamless and consistently available wireless services for consumers to enjoy globally. Its members serve four out of five mobile phone customers in the world.

Website

 www.gsmworld.com

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Don't Forget!

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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Balkan Pilot with Proton Prisma

Greek electronic transaction systems provider Mellon Technologies has signed a license agreement with Proton World to employ Proton Prisma multi-application Smart Card technology for the Balcard project, an EU co-funded project that officially started on 1 February, 2002.

Project Balcard includes Balkan countries Bulgaria, Cyprus, Greece and Romania and aims to develop a framework for low value cross-border transactions over the Internet through the use of Smart Cards.

Mellon Technologies will act as project co-ordinator for Eurobank Cards from Greece, Bulgarian Post Bank, JCC Payment Systems from Cyprus and Bank Post from Romania. Bulgaria's national card payment operator Borica and French card manufacturer SchlumbergerSema are also members of the consortium.

A large-scale pilot starting Q2, 2003 will include a large number of cardholders and merchants (with on-line presence) in Greece and Bulgaria.

SchlumbergerSema will supply the Prismera cards, which contain the EP (Embedded Profile) version of the Proton Prisma multi-application card.

Apart from the successfully tested CEPS e-purse, which will be used in first instance in the Balcard project, the EP card also contains the Card and Application Life Cycle Manager, Proton World's EMV PLUS credit/debit application and the Data File Manager, which allows the implementation of identification and loyalty applications.

"In Balcard we intend to demonstrate that prepaid Smart Cards can provide a secure means of payment to those Internet users that do not have a credit card or a bank account," said Stefanos Karapetsis, Executive Director of Mellon Group.

Proton license in Hong Kong

Proton World has also signed a vendor license agreement for its Proton technology with terminal constructor Pax Technology in Hong Kong. Pax initially plans to offer and produce certified Smart Card terminals and readers for the Malaysian Electronic Payment System (MEPS), whose Government Multi-Purpose Card (GMPC) also carries a Proton application (MEPS Cash).

Low-cost Chip Readers for EMV

Visa International has announced that it has worked with terminal manufacturers to provide cost effective chip-reading point-of-sale devices that meet Visa functional requirements. The devices are aimed primarily at geographic markets outside the US and banks that are initially migrating to Visa Smart Debit/Credit.

Cybernet and Intellect will offer special base prices of just over US \$200 for terminals that conform to the global EMV standard for chip cards. The cost of the terminals includes hardware and a full EMV core library as well as support and service warranties. Additional fees will apply to include shipping, customs, taxes, and local customisation, which may vary on a country-by-country basis. The Cybernet terminal is available now and the Intellect product will be available in early 2003.

Visa is also working to make available a Smart Card add-on product for those member banks that wish to upgrade their existing magnetic stripe terminals. This will be confirmed shortly.

VeriFone offers terminal

In a separate announcement, VeriFone said it would offer its SC 5000 EMV Smart programmable PIN pad for a base price of approximately US \$145 per device in most market deployments. The SC 5000 allows existing VeriFone magnetic stripe terminals and electronic cash registers to read and process EMV-compliant Smart Cards.

EMV Cards for Estonian Banks

Finnish Smart Card company Setec has won an international tender to supply chip-based EMV debit and credit cards to the three leading Estonian banks Eesti Ühispank, Hansapank and AS Sampo Pank.

In the first phase early this year, over 100,000 cards will be supplied to the three banks who plan to replace existing cards with EMV cards by 2005.

Government Services Pilot

Hitachi America has been awarded a contract by the New England Partners (NEP) for a comprehensive 21-month pilot program employing Smart Card solutions for eight automated government programs in the New England region of the US.

The NEP consortium consists of the states of Connecticut, New Hampshire, Maine, Massachusetts, Rhode Island, and Vermont - in cooperation with





the US Department of Agriculture, Food Nutrition Services, which plans to improve and streamline the delivery of a variety of healthcare programs for economically disadvantaged families.

The aim is to harness the power of the Smart Card technology to bridge government and private system programs and increase the efficiency of the reporting and reimbursement processes.

The NEP is supporting automated programs for WIC (Special Supplemental Nutrition Program for Women, Infant and Children), Commodity Supplemental Food Nutrition (CSFP), Farmers Market, Head Start Program, Immunisation Services, Childhood Lead Poisoning Prevention, Medicaid EPSDT (Early Periodic Screening, Diagnosis and Treatment), the Rhode Island Kids Net, and other healthcare provider assessments.

Smart Cards will hold the benefits and personal data of the participants who will be able to purchase groceries, coordinate health appointments, and track their healthcare progress.

The pilot will involve 625 POS terminals at 90 retailer sites and more than twenty provider sites, as well as 10,000 WIC participants.

Hitachi will provide the microprocessor chips, the MULTOS operating system, program management, project management, the host hardware and software solution, system documentation and testing.

Bid partners include Dreifus Associates (who will provide training, user documentation, and ongoing operational support); Giesecke & Devrient (Smart Cards and pre-personalisation services); CardSystems Solutions (NEP host operational support, help desks, and Internet-based reporting support); and Wear Logic (point-of-sale terminal hardware and software).

CardBASE and Setec Partner

CardBASE Technologies and Finnish Smart Card manufacturer Setec are partnering to integrate CardBASE's Mascot multi-application Smart Card management solution with Setec's Smart Card platforms and solutions. They plan to jointly develop solutions for EMV migration, PKI security cards, electronic ID cards, GSM SIM cards, payment cards and visual ID products.

MasterCard Contactless Trial

MasterCard International has partnered with Chase, Citibank and MBNA to trial MasterCard PayPass, a

new contactless payment card, with merchants in the Orlando, Florida, area of the US.

Billed as a simpler way to pay, the card incorporates a magnetic stripe for use at any of MasterCard's acceptance locations. Using the PayPass feature, customers simply tap or wave their card on a specially equipped merchant terminal that then transmits payment details wirelessly.

Bonus Card Order

SchlumbergerSema is supplying Smart Cards and personalisation services for Europe's largest Smart payment card co-branding project — the BonusCard, a combined debit/credit and loyalty scheme run by Turkey's GarantiBank. The company has already delivered nearly two million of its multi-application e-Galleon Smart Cards incorporating EMV (Europay, MasterCard, Visa) compliant credit and debit functions, and a 'ready-to-go' loyalty application.

Motorola to Use ORGA Test Tool

Motorola is to use ORGA's new IT3 Test Platform for the development and testing of its GSM and 3G mobile handsets in the North American market.

Rich Martinez, ORGA's Business Development Manager, said: "Developers can test and debug their products before they are submitted for official certification and release to the market."

For more information visit ...

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Proton World
www.protonworld.com
- BALCARD**
www.balcard.org
- PAX Technology**
www.pax.com.hk
- Visa**
www.visa.com
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- PayPass**
www.paypass.com
- SchlumbergerSema**
www.slb.com
- ORGA**
www.orga.com





Smart Cards for Liverpool Fans

Liverpool football club in the UK has issued its 50,000 members with contactless Smart Cards to replace paper tickets and season ticket books. The system is being provided by Fortress GB who also provided Manchester City FC with its Smart ticketing solution.

The multi-application Smart Card, aimed at providing better control over stadium access and security, combines PicoPass chips from Inside Contactless, and integrated software and hardware systems from Fortress GB. The system combines access control with customer loyalty, e-purse, and other applications in a package designed to enhance both security and club/supporter relationships.

Each LFC Fan Card contains details of the cardholder's seat entitlement and identification information as well as e-purse and loyalty applications that LFC will be able to integrate into packages that season ticket holders receive in seasons to come.

Possible applications include loyalty rewards for shopping at the stadium's own shop or at local participating retailers, and also electronic purse payments for goods and refreshments inside the stadium to help reduce the amount of cash held within the grounds.

Security Certificate for Samsung

Samsung has announced that its S3CC9PB 64K bytes cryptographic Smart Card has received EAL4+ level Common Criteria certification. The company said that the certification establishes the card an ideal solution for SIM cards, E-money, Java and MULTOS card projects.

The card features an 1024bit RSA crypto processor along with a 3-DES engine designed to support the implementation of electronic signature.

Hi-Life Stores to Accept Mondex

MasterCard subsidiary Mondex Taiwan has announced that 600 Hi-Life convenience stores will be accepting its store value card. Taipei Bank, Fubon Commercial Bank, Ta Chong Bank and the International Bank of Taipei are authorised to issue Mondex cards.

Macau Smart ID Card Roll-out

Siemens Business Services and Giesecke & Devrient (G&D) have started issuing the first multi-func-

tional Smart ID Cards to the residents of the former Portuguese territory of Macao. The project, worth more than HK\$ 100 million (€16 million), calls for 460,000 ID cards to be issued to residents over the next four years.

The initial purpose of the new Smart Card is to serve as Macau's new identity card. To prevent forgery it has significantly improved, built-in security features, including the use of biometrics (fingerprint matching) for automated identity verification.

Matthias Merx, of G&D's solution unit, explained that the card had been developed to allow for additional functions. "The ultimate vision for the Smart Card is for it to serve as an all-in-one card combining, for example, ID card, driving license, student card, medical card, social security card and possibly e-purse functionality for secure electronic transactions," he said.

As the main contractor Siemens Business Services is responsible for project management, system integration and delivery of the registration and issuance system. G&D is responsible for supplying the central components for a complete Smart Card issuance system. This comprises the Smart Card and PIN personalisation system, the key and card management system, the public key infrastructure including the certificate authorities and the Java and GlobalPlatform-based multi-functional Smart Cards.

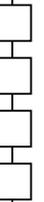
RFI Start Visa Risk Testing

Visa International has recognised UK-based Radio Frequency Investigation (RFI) as offering risk testing to chip card manufacturers developing Visa Smart Cards. RFI has become only the second laboratory worldwide after TNO in Holland to achieve this and can now add Visa Smart Debit/Credit and Visa GlobalPlatform card risk testing to its portfolio of Smart Card services.

ID Contract for Sagem

Sagem has been selected by the Federal Investigation Department of Brazil to use its automatic palm and fingerprint identification technology in the Department's modernisation program to replace the existing inked fingerprint database. Thales Communications SA is a partner in the program.

The Sagem system will enable finger and palm prints to be registered, along with ID photographs via laptop and desk registration units.





The new system will allow the processing of more than five million fingerprint and 500,000 palm files.

Brazil to Fingerprint Population

Cross Match Technologies is supplying the state government of Sao Paulo, Brazil with fingerprint and palm print ID for national identity documents.

Sao Paulo is part of the national program to digitally fingerprint 174 million inhabitants. The Identification paper, required for financial and government transactions, includes the resident's photograph and fingerprints from both hands.

Fingerprint ID Solution

SAFLINK Corporation has licensed BIO-Key International's one-to-many fingerprint matching algorithm and plans to introduce it in its product line. The two companies will jointly offer custom integration solutions to the market.

DoD Orders Fingerprint Readers

Identix has announced orders from the US Department of Defence (DoD) for 450 of its new DFR 2080 single fingerprint readers and a 500,000 Bio-Engine template license. The DFR 2080 delivers NIST compliant 500 dpi resolution and provides a digital USB output.

Identicard and Bioscrypt Partner

Identicard and Bioscrypt are working together to develop Smart Card-based biometric solutions. They have integrated Identicard's IDentiSMART family of contactless Smart Card solutions with Bioscrypt's V-Smart — an integrated MIFARE Smart Card and fingerprint reader for access control.

Employee Background Checks

Dutch bank ING Direct has deployed Identix fingerprint scanning technology to speed the processing US employee background checks.

The bank has installed several TouchPrint fingerprint live scan systems at three locations in the US which channel submissions through the American Banking Association, the agency handling FBI fingerprint submissions for the financial services industry.

Canadian R&D Contract

Canada's Labcal Technologies has been awarded a

\$300,000 contract from Defense R&D Canada for a secure authentication and verification device based on its SmartPrint biometric technology.

Labcal will design, develop, and test a three-factor verification and authentication data entry and display device to be used to provide identification and authentication capabilities for computer systems processing classified or sensitive data.

The contract represents the first major Canadian Department of National Defense investment in biometrics. Montreal-based cryptography specialists Okiok Data and Ottawa's Domus ITSL have been contracted by Labcal to work on the project.

Windows Biometric Authentication Daon has announced Daon for Windows, a biometric authentication solution for the Microsoft Windows XP, NT and 2000 operating systems. The product eliminates the need for PINs and passwords and provides an audit trail for all operations.

Smart Card Access Biometric

International Electronics Inc (IEI) has announced a new Fingerprint Access Control System called BioRead which is based on Precise Biometrics' BioAccess fingerprint reader and uses the company's BioMatch technology. The BioRead system includes fingerprint readers, controllers, PC connectors, programming and management software.

For more information visit ...



Fortress GB

www.fortressgb.com

Inside Contactless

www.insidecontactless.com

MasterCard

www.mastercard.com

Siemens

www.siemens.com

Giesecke & Devrient

www.gi-de.com

Radio Frequency Investigation

www.rfi-wireless.com

Sagem

www.sagem.com

SAFLINK

www.saflink.com

Identix

www.identix.com

Bioscrypt

www.bioscrypt.com

Identicard

www.identicard.com

BIO-key International

www.bio-key.com

Daon

www.daon.com



Cardholder Authentication

First Data Merchant Services is to offer Arcot's TransFort TransFort Merchant Software as a hosted service for merchants and will also license and resell the solution to merchants for in-house use. The TransFort solution offers cardholder authentication for all participants in online payment transactions in the Verified by Visa and MasterCard SecureCode programs in an effort to reduce online fraud.

Schlumberger / 360 Partner

California-based 360 Degree Web has partnered with SchlumbergerSema to supply its security and convenience application software alongside SchlumbergerSema's Smart Card product range.

Under the agreement, 360's flagship family of workstation security and Internet convenience products 'The Platinum Suite' has been migrated to the SchlumbergerSema Cryptoflex PKI-enabled Smart Card and Cyberflex range of Java based Smart Cards. The Platinum Suite uses Smart Card tokens for two-factor authentication, and is targeted at PC OEMs to enable manufacturers to ship a Smart Card-based security solution to customers.

Lithuanian Bank Plans for EMV

Lithuanian bank Ukio Bankas has installed a new generation payment cards software solution to enable it to pass on to new technologies and to start issuing EMV (Europay/MasterCard/Visa) Smart Cards. The software tool, called Transmaster, was developed and implemented at the bank by TietoEnator Financial Solutions and enables payment card processing starting from card issuing to electronic payment operations via Internet and mobile communications.

US Patent Pending for Catuity

Loyalty software solutions company Catuity has received a Notice of Allowance from the US Patent Office for 26 claims on its application for a patent for a Data Carrying Device and Systems for Use Therewith. The patent is expected to be issued by the end of Q1 and broadly covers the efficient use of memory space on Smart Cards (and other data carrying devices) to store data for multiple applications and the systems to manage applications, devices and terminals. Michael V Howe, President and CEO, says this new patent discloses the use of dynamic memory allocation and memory re-use on Smart Cards via the use of a static area, program index and an application area.

Websites

-  www.datamonitor.com
-  www.slb.com
-  www.tietoanator.com
-  www.ericsson.com
-  www.catuity.com

Jürgen Dethloff

12.05.1924 - 31.12.2002

It was in 1968 that Jürgen Dethloff, with Helmut Gröttrup, registered patent DE1945777C3 and in doing so laid a cornerstone in the foundations of the Smart Card industry. With this, and two further patents he personally registered in the 1970s, he secured his place as a father of the industry, an industry which he then helped nurture to maturity.

A tireless inventor and entrepreneur, who was working on his concepts to the last day, his contribution was by no means confined to Smart Cards. It is the scope, range, and sheer volume of his life's work which is truly remarkable.

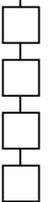
But it is for the Smart Card that he will above all be remembered. Thirty five years later, in a world where Smart Cards themselves, as well as computers and the Internet are commonplaces, it is hard to imagine just how visionary his concepts were. It is harder still to imagine the sheer determination required to turn that revolutionary vision into a day-to-day reality.

It was that ability to combine invention and vision with entrepreneurship that marked him out. Intellect alone is not enough to succeed; drive, passion, and charm are all essential ingredients, and Jürgen was blessed with them all. Furthermore these ingredients were not just confined to technology. His close and loving family, his friends, and those many, many people he helped and supported would also bear witness to his love of life.

In his later years his contribution to the development of the Smart Card industry was widely recognised. In Germany he was a recipient of the Bundesverdienstkreuz and the gold Diesel-Medal, both rare and particular individual honours. Naturally, he was in the Smart Card Hall of Fame in Washington. He was also the first member of the ESCAT Conferences Hall of Fame, and the recipient of the first GMD Smart Card Prize, to name but a few of his many accolades.

But his joy was in concepts and with people, not recognition, and it is as an inventor and a gentleman that this remarkable and modest man would want to be, and will be, remembered.

Owain Powell-Jones





Lassus and Takieddine Resign

Gemplus co-founder and former Chairman Dr Marc Lassus and fellow Board member Ziad Takieddine resigned from Gemplus ahead of last month's Extraordinary General Meeting which was expected to remove them.

Latterly, the relationship between Dr Lassus and the Board was acrimonious, but Board Chairman Dominique Vignon, said: "Beyond the conflict of interest that opposed him to the company, I would like to mention the key role Dr Marc Lassus played, as co-founder of Gemplus, to establish the company as a world leader in the Smart Card arena."

Dr Johannes Fritz, representing the Quandt family, who have a substantial investment in Gemplus, was appointed to the Board.

More job cuts

Alex Mandl, CEO, last month presented the strategy for rebuilding the company in the face of more competition in the telecommunication and banking markets and the emergence of new low cost manufacturers, especially in Asia.

He said there would be a global reduction of about 1,000 employees, 483 of them in France. This would not lead to any site closures in France and the volumes manufactured would remain comparable with 2002.

Mandl anticipated savings in the range of €100 million for the full year. Including the 2002 restructuring plan, total savings should exceed €200 million, with the full benefit seen in 2004.

SchlumbergerSema to Cut Jobs

SchlumbergerSema is to cut 1,600 jobs and close some facilities in Continental Europe and the US and focus on IT consulting, systems integration and network and infrastructure solutions primarily in the energy market. Its Smart Card, point of sale terminals, payphone and telecoms products will be managed separately.

ACG Restructure

ACG AG has announced a name change to ACG Advanced Component Group and formed two new operating companies — ACG Identification Technologies (former Smart Card business area) and ACG Technology Services (former semiconductor business area). ACG Identification Technologies will deliver all chip card components, advise on major

projects and system providers will be supported with the procurement of end products while component manufacturers can use its international sales channels. The same services apply for RFID (Radio Frequency Identification).

ACG Technology Services will procure semiconductor components and manage and market surplus materials.

CTS Appointment

Christopher F Sincock has joined Card Technologies & Services (CTS) as Vice President of Business Development reporting to Steven Wagner, President.

Infineon First Quarter Results

Infineon Technologies AG announced results for its first quarter in fiscal year 2003, ended December 31, 2002. The company had revenues of €1.52 billion, an increase of ten percent sequentially and 47 percent year-on-year. The revenue increase was mainly driven by higher demand for memory products and semiconductors used in mobile phones, and the continued strong performance of the automotive & industrial segment.

Neometrix Buys Kinetic Group

Neometrix Corporation is to acquire Detroit-based biometric company Kinetic Group which specialises in fingerprint scanning and radio frequency based technologies.

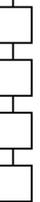
CEO George A Filippides, Neometrix's CEO, said: "The convergence of technologies facilitating and enabling enterprise into next-generation information systems — Smart Cards, e-commerce, biometric interfaces — these are the systems of today and what American computing must bring to the international marketplace."

New Digital Signature Technology

ORGA Kartensysteme has announced that the first PKI (Public Key Infrastructure) based entirely on Elliptic Curve Cryptography (ECC) and certified according to ITSEC will be available for large numbers of users in Spring 2003.

This new technology, which employs ORGA's Micardo Elliptic card operating system and cv act encryption technology from cv cryptovision, is currently being used in the Austrian social insurance card project.

Continued on page 12 ➤





Industry Review 2002

by Jack Smith, News Editor, Smart Cards Now

The year was marked by big job losses in the mobile phone and telecommunications and semiconductor manufacturing industries as companies cut back to counter a slump in demand for SIM cards, due to the fall in demand and over production. The crisis also hit Smart Card manufacturing companies like Gemplus and ORGA.

US concern about homeland security brought biometric identification to the foreground worldwide with major national ID card projects and tightening of security at international airports.

Smart Cards were also boosted by the US Department of Defense CAC project and the requirement to put chips on all bank payment cards.

Acquisitions

STMicroelectronics agreed to acquire **Alcatel's** Microelectronics business for €390 million and **Infinion** acquired **Ericsson Microelectronics**, Ericsson's internal semiconductor supplier for €400 million as part of a share based deal.

Datacard Group bought the assets of **Gilles Leroux**, manufacturer of plastic card production, control and personalisation systems, and Australia's **ERG Group** announced it was to sell its 39% share holding in the joint Australian Smart Card software venture **Ecard** for \$5 million to the other shareholders, **Telstra** and **ANZ**.

Marc Lassus, founder and former Chairman, sold his shares in **Gemplus** to French electronics company **Sagem** giving it a 10% stake in Gemplus.

Mergers

ORGA Card Systems and **Perfect Plastic Printing (PPP) Corporation** finalised an alliance in the US to manufacture Smart Cards, including chip insertion and pre-personalisation services at PPP's St. Charles, Illinois, facility.

Identix and **Visionics Corporation** merged in a \$600 million all-stock transaction to create a multi-biometric security technology company.

Welcome real-time, of France, agreed to merge with Canada-based **Cyberpro Technologies**.

The long-awaited merger of **MasterCard International** and **Europay International** was completed, forming a unified, shareholder-owned global payments company.

Cards

OTI officially opened its new US \$3.5 million plant at Rosh Pina, Israel, to support R&D and manufacture contactless Smart Card products.

A new facility in Moscow by **ORGA Zelenograd**, the joint venture between **ORGA** and Russian state scientific research institute **Submicron**, came into operation with the capacity to manufacture more than 25 million cards a year.

China began what will be the biggest Smart Card roll-out anywhere in the world with the launch of a new national ID card. NEC's Chinese subsidiary **Shanghai Hua Hong NEC Electronics** was named as the sole supplier of the chip.

A HK\$100 million contract to provide a multi-functional national ID card enabling e-Government for Macau was awarded to a consortium comprising **Siemens, Giesecke & Devrient** and **NEC**.

The Hong Kong government awarded its national Smart ID Card contract to a consortium led by **Pacific Century CyberWorks (PCCW)** in a deal valued at \$163 million.

SchlumbergerSema delivered the one millionth FIPS 140-1 Level 2 certified Cyberflex Access 32K Smart Card to the Department of Defense (DoD) Common Access Card (CAC) program.

Chips

Gemplus announced that its 64K Java Card-based GemXplore 'Xpresso had been certified Evaluation Assurance Level (EAL)5+ by the Common Criteria security standards body.

Hitachi's AE45C 42K bytes Smart Card IC also gained a security certificate under the Common Criteria for IT Security Evaluation.

Security certifications to Common Criteria level EAL4+ were awarded to **SchlumbergerSema** for its **Cyberflex JavaCard**, and **STMicroelectronics** for four of its ST19 family of Smart Card microcontrollers—the ST19XR34, ST19XL34, ST19XS08 and ST19XS04.





SchlumbergerSema was awarded the FIPS 140-1 Level 2 certificate for its new Cryptoflex e-gate 32K Smart Card.

Infineon announced that it had produced two billion chip card modules for Smart Card applications in Regensburg-Burgweinting where it began production ten years ago.

Transit

Cubic Transportation Systems was awarded several contactless Smart Card ticketing contracts during the year, including a \$3.3 million contract for the **Chicago Transit Authority**, a \$84 million contract with Los Angeles' County Metropolitan Transportation Authority, and a \$26 million contract from the San Diego Metropolitan Transit Development Board. It also received a \$3.5 million contract from Edmonton Transit System, in Edmonton, Alberta, Canada.

SchlumbergerSema won an order to supply two million of its Easyflow contactless Smart Cards for use in London's underground and buses. The cards will be supplied to **Electronic Data Systems (EDS)**, a member of the **TranSys** consortium implementing the ticketing and revenue collection system.

Ascom installed a contactless ticketing system at 2,000 access control gates on the RER network and RAPT underground railway in Paris.

A controversial Smart Card-based scheme to tackle road congestion by charging drivers for using roads in London was given the go-ahead for early 2003. Drivers will pay for road tolls and city access with Smart Cards linked to a satellite navigation system.

Finance

A warning about a new fraud scheme which involved stolen card details being sent abroad via the Internet and counterfeit cards created and used to buy goods in several different countries simultaneously was given by the UK's **Association for Payment Clearing Services (APACS)**.

As part of the war against the card fraudsters, **APACS** announced that all UK credit and debit card transactions are to be authorised by the customer keying in their PIN by 2005.

Gemplus shipped its ten millionth Java Card technology-based GemXpresso Smart Card to the financial services market.

Health

Taiwan launched a \$120 million health card project involving the issue of over 24 million Smart Cards to its citizens.

In the UK, the Department of Health extended its Smart Card ID scheme for junior doctors throughout England, to speed up pre-employment checks as doctors move from post to post.

Telecommunications

China, the world's largest mobile phone market, topped 145 million subscribers according to the Ministry of Information Industry.

Gemplus announced that its shipments of SIM cards had topped 500 million.

ACG AG announced the delivery of its 50 millionth telephone chip card, part of an order for 150 million to be completed by the end of 2003.

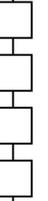
Biometrics

Asylum seekers in the UK were issued with identity cards containing their fingerprint data, photograph, name, date of birth and nationality as well as a secure updateable chip for additional information such as the cardholder's reference number, dependants, reporting dates and address. Called the Application Registration Card (ARC), it was seen as having a key role in preventing fraud through illegal benefits claims. The Smart Cards and fingerprint system was supplied by **Groupe Sagem**.

Homeland security and public safety issues in the US resulted in new anti-terrorist legislation being introduced through the federal Aviation and Transportation Security Act of 2001. It gave a boost to biometric technologies with companies like Cross Match Technologies and Identix installing fingerprint identification systems at US airports.

In Europe, a Smart Card and biometric security pilot was launched at the UK's London Gatwick Airport, iris recognition technology was piloted at London Heathrow Airport, and a biometric security control system was installed at London City Airport.

Plans were announced that access to security areas at Berlin airports were to be safeguarded with a Smart Card-based facial recognition system.





← Continued from page 9

The two companies are intensifying their partnership in the development and marketing of new Smart Card technologies using ECC and say that pooling their expertise will enable them to create highly cost-effective end-to-end solutions in the world market for digital signature Smart Cards. Apart from the pure signature card, the product family will also include an EMC version for financial transactions.

ORGA says that the ECC algorithm in characteristic GF(2) implemented on the card requires significantly shorter key lengths and thus reduces the demands on the Smart Card to such an extent that savings of more than 25% over typical RSA environments are possible, even where higher volumes are involved.

LEGIC Appoint Austrian Partner

UK-based LEGIC Identsystems, a supplier of secure platforms for contactless Smart Card technology, has appointed EVVA-Werk as its licensed business partner in Austria.

Under the agreement, EVVA-Werk will integrate LEGIC RFID technology into its latest product generation. The first product, EVVA-Werk's Salto door locking system will be available with LEGIC's contactless identification technology mid-2003.

Hungarian Tax Office Contract

Oberthur Card Systems has supplied the Hungarian Tax Office with a Web-based tax return system that will allow Hungary's top 500 corporate taxpayers to submit their returns electronically using a digital signature.

The company has supplied its AuthentIC Web Pack, Java-based cryptographic Smart Cards, card readers and related client software.

Keycorp Win Bid in Turkey

Australia-based Keycorp has won a bid to provide a range of electronic payments solutions and services to Oyak Teknoloji (Oytek), the technology arm of one of Turkey's largest industrial and services groups. Through Oytek, Keycorp has received an initial order for 10,000 K23 merchant terminals from Oyak Bank.

Over the term of the three-year exclusive distribution agreements, Keycorp anticipates that Oytek will deploy over 30,000 Keycorp EMV Smart Card-enabled payment terminals and more than two mil-

lion MULTOS Smart Cards. Keycorp will also provide training, technology consultancy and a range of value-added services.

Datacard / Datakey Agreement

Datakey and Datacard Group have signed a reseller agreement enabling Datacard to integrate and sell Datakey Model 330 cryptographic Smart Cards, CIP client software and Smart Card readers as part of its secure authentication solution for enterprise ID.

Datacard said it chose the Datakey Smart Card range due to its compliance with recognised industry standards (such as FIPS 140-1 Level 2) and its ability to work 'right out of the box' across a range of information security products and applications.

Setec and TAG Join Forces

Finnish Smart Card company Setec and Norwegian bank card company TAG Systems have agreed to start a co-operation in Sweden to provide end-to-end card services to Swedish customers especially in the banking, government and retail sectors.

Latvia Starts EMV Roll-out

Latvian bank Hansabanka bank has issued the first Visa EMV standard Smart Card in the Baltics with technical support from TietoEnator Financial Solutions who supplied the software.

For more information visit ...



Gemplus

www.gemplus.com

SchlumbergerSema

www.slb.com

ACG

www.acg-id.net

ORGA

www.orga.com

cv cryptovision

www.cryptovision.com

Keycorp

www.keycorp.com

Oberthur

www.oberthurcs.com

Datacard

www.datacard.com

Datakey

www.datakey.com

Setec

www.setec.fi

TietoEnator

www.tietoanator.com





UK City Kicks Off Pan-European Smart Card

by Matt Ablott, Assistant Editor, Smart Cards Now

SmartCities Case Study: Southampton (UK)

Southampton is the first city in the UK to pilot the pan-European SmartCities Smart Card based community scheme aimed at improving access to city facilities and allowing citizens to pay for goods and services securely online.

Southampton, based on the south coast of the UK, has been recently granted Pathfinder status (the UK government's initiative to promote regional e-government schemes) and was selected as a SmartCities pilot for a myriad of reasons. According to SchlumbergerSema, one of the technology partners in the Southampton project, the city was ideal as it fitted SmartCities' requirements as a 'mid sized' city (with 215,000 residents) and boasted two large student campuses which help create a population that is 'transient and ready to embrace new technologies'.

The University of Southampton already runs an existing smart ID card that covers library, Uni-link bus, catering, sport and recreation facilities and this is to be integrated into the SmartCities card. The 20,000 strong student population has been effectively used as a pilot programme for the wider community with students able to use the card for both council facilities and the university facilities.

Aside from the University, the card is also designed to replace a host of other cards and tokens such as the existing city library and leisure cards with one multi-purpose card.

In the transport sector the card has been integrated fully into the cities existing infrastructure including the ferry service to the nearby Isle of Wight, toll bridges and on and off road parking facilities.

However, it is in the retail sector that the card may prove to have the greatest impact. Based on the traditional loyalty card model, the SmartCities card will allow residents to earn and redeem points at selected retailers. The plan is that, as the SmartCities project is adopted across Europe, participating cities will be able to work together and link to each other using a common retail loyalty scheme allowing citizens to be able to use their cards across Europe.

The potential uses for the card are wide-ranging and it is hoped that the users will be able to 'mix and match' applications on the card. SmartCities is also planning to develop a system that will allow users to add or remove the applications using a range of different devices including public access kiosks and mobile phones in an attempt not to exclude those without a PC or Internet connection.

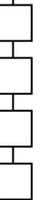
On its website, SmartCities outlines its ambitions for the project which includes a vision of creating a Smart Card environment without being tied to a "unique, proprietary applicative model with a single supplier of cards, terminals and applications" but ultimately it is the benefits to the end user that will determine the success of the card.

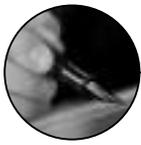
"It is crucial in the development of this project that we get the user requirements right," says Steve Cassidy, consultant at SchlumbergerSema. "The service has to be user centric and simple to use, but is also important to consider the wider needs of the other partners in the scheme."

To this end the consortium has set up the SmartCities Interest Group (SIG), which is made up of 21 local authorities from 10 countries that are committed to the SmartCities model. The Group provides a forum for implementation-based evaluation and validation of the SmartCities Project. Following the Southampton based project it is envisaged that the SIG will play a vital part in the development of the SmartCities standard.

Websites

-  www.smartcities.co.uk
-  www.southampton.gov.uk
-  www.schlumbergersema.com





India Poised for Smart Card Boom

by Uday Lal Pai, Business Journalist and Market/Industry Analyst



Uday Lal Pai

As India with its one billion plus population prepares to put millions of driving licenses, ration cards and identity cards on Smart Cards, a host of multinationals and domestic companies are gearing up to tap the huge opportunity the country offers.

Industry feels the revolution has already begun and the Smart Cards boom in the country is not far. The Smart Card business potential of India is expected to reach US \$ 6 billion by the year 2010, according to industry sources. At present there are over 15 million Smart Cards in use in the country of which more than half are the global system for mobile communication (GSM) SIM cards while the market size is almost 400 million cards. India's cellular subscribers passed the 10-million landmark last year.

Dr A.P.J. Abdul Kalam, the new President of India and eminent scientist, has recently asked the National Association of Software and Services Companies (Nasscom) and the just born Society for Electronic Transactions and Security (SETS) to work together towards a mission of bringing out a national citizen card that could be utilized as voter ID card, operate bank account, ration card and many other applications. "The national citizen card/Smart Card has to be an integrated approach from multiple departments and industries," said Dr Kalam.

The market size

It is estimated that the Indian Smart Card industry, growing at 45 percent annually, would reach the size of \$6 billion by 2010. In the next five years, the number of Smart Cards in the country would touch 400 million from around 50 million cards today. The worldwide Smart Card market is expected to grow to 4.7 billion units and touch \$6.8 billion this year. Currently, Indian Smart Card industry is estimated to be about \$125 million, of which only about a third of the market has been tapped by the existing industry players, according to the Smart Cards Forum of India (SCAFI).

"There are about 15 million Smart Cards in the country and taking an average price of one card as \$3.12, we can arrive at the market size of \$46.87 million, which has been tapped till now," SCAFI president Dr A Prabhakar says. The Indian market for Smart Cards is nearly 400 million cards, according to SCAFI. He said the GSM Smart Cards would be the way forward. At present, there are 10 million GSM-based Smart Cards in use. "However, the transport sector is also stepping up use of Smart Cards. The potential for Smart Cards within the transport sector alone is about 100 million," SCAFI secretary S Swarn said.

Apart from various e-governance initiatives, the exponentially growing mobile phone usage will also drive the demand for Smart Cards, which are nothing but plastic cards embedded with a computer chip that stores



Events Diary

February

- 3 - 5 Cards Europe 2003, Europe's payments and transactions summit, Royal Garden Hotel London, UK
Email: simon.reid@terrapiinn.com
Website: www.cards-worldwide.com/2003/cards_UK
- 4 - 5 SmartCard Expo, Earls Court 2, London, UK
Tel: +44 (0) 1895 454545
Website: www.smartcardexpo.co.uk
- 12 - 13 Smart Card Alliance Mid-Winter Meeting and Educational Institute - Hilton Salt Lake City Center, Utah, USA
Website: www.smartcardalliance.org

- 12 - 14 Security International 2003 Exhibition, Hotel Leela, Mumbai, India
Email: bkhan@servintonline.com
Website: www.servintonline.com/si2003
- 13 - 16 Cartés Korea, Atlantic Hall, COEX Seoul, Korea
Email: cardes@excokorea.com
Website: www.carteskorea.com
- 17 - 18 Chip and Pin Towards EMV, The Radisson Edwardian Marlborough Hotel, 9-13 Bloomsbury Street, London, WC1B 3QD, UK
Bethan Jones
Tel: +44 (0) 20 7827 6176
Email: bjones@smi-online.co.uk
Website: www.smi-online.co.uk/chipandpin7.asp



and transacts data. "It is the market for SIM cards for mobile phone that is growing faster in India - at about 70-80 per cent annually," says Sanjay Dharwadkar, Head of Systems Marketing, Smart Chip Ltd. "Once the National Identity Card project happens, the demand for Smart Cards will skyrocket," he said. However, most companies, both Indian and international, feel a lot more awareness still needs to be created and the domestic industry is in a nascent stage.

Government is the key

Indian Prime minister Atal Behari Vajpayee's Independence Day speech, where he mentioned that a Smart Card -based citizen's ID card would be issued, is also being looked at by the industry with great expectations. India is planning to issue foolproof, Smart Card -based identity cards to citizens, but the project is still at a concept stage.

The requirement of Smart Cards as identity cards, the combined municipal card and the welfare sector is expected to be 600 million by the year 2005. While India fights terrorism, it is good news for Smart Card industry. The Government has decided to issue multipurpose identity cards to about 2.9 million people in selected areas of 13 border & coastal states, by March 31, as part of the exercise to strengthen security, Deputy Prime Minister L.K.Advani said.

It has been decided to implement the multipurpose national identity card project by this fiscal in selected areas to strengthen security along India's 15,126 km border and 5,422 km long coastline. On the identity card project, he said besides Jammu & Kashmir state, the other states and Union territories where it was being implemented were Gujarat, Uttranchal, Rajasthan, Uttarpradesh, Assam, Andhra Pradesh, West Bengal, Tripura, Goa, Tamilnadu New Delhi & Pondichery.

The demand for Smart Cards in Health care & Transportation sectors is expected to reach 350 million by the year 2005. 'Smart Cards' will soon replace booklets of vehicle registration and national permits for commercial vehicles under a scheme agreed upon by State governments at the initiative of the Surface Transport Ministry. Smart Cards will also replace the existing driving license format, Road Transport Secretary Ashoke Joshi said. The proposed cards, which would look similar to the laminated driving license, would be tamper-proof besides being user-friendly, he said. The guidelines set by the ministry of transport regarding issuance of Smart Card -based driving licenses and the states going ahead with inviting tenders for the same simply speak of the way the industry is moving. Currently, Gujarat, Madhya Pradesh, Goa, Chandigarh and Maharashtra have already taken up Smart Card projects for the transportation sector. Another ten states are expected to be in the space by the end of this year.

To be continued...

Contact

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 udaylal@vsnl.com

| | | |
|--------------|--|--|
| March | 2 - 3 | Voice World Europe, Olympia Conference Centre, London, UK |
| 11 - 13 | 2nd Smart Card Tech India 2003 International Exhibition and Conference, Pragati Maidan, New Delhi, India | Jaimie Brook Email: jaimie.brook@terrapinn.com Website: www.terrapinn.com • www.voice-world.com |
| | | |
| | | |
| April | 8 - 10 | 4th Annual Global Retail Technology Forum, Palais des Congres and Hotel Concorde la Fayette, Paris, France |
| 1 - 2 | SIM 2003 Conference, Amsterdam | RMDP Tel: +44 (0) 1273 722687 Website: www.retailsystems.com/grtf |
| | | |
| | | |
| | 29 - May 1 | Infosecurity Europe 2003, Grand Hall at Olympia, London, London, UK |
| | | Claire Sellick Email: claire.sellick@reedexpo.co.uk Website: www.infosecurity.co.uk |





Highlights of Cartes 2002 ~ Part 2

by Alan Borrett, Security Token Programme Manager, CESG



Alan Borrett

15 On a scale of 1 to 6 (with 1 meaning least interest), it was reported that current mobile phone users' interests in 3G applications are:

| Application | Western Europe | Eastern Europe | USA |
|---|----------------|----------------|-----|
| E-mail | 4.5 | 4.7 | 4.3 |
| Payment Authorisation/ Enablement | 3.4 | 3.8 | 3.0 |
| Banking/ Trading On-line | 3.5 | 3.4 | 3.2 |
| Shopping/ Reservations | 3.0 | 3.1 | 2.9 |
| Interactive Games | 2.0 | 2.2 | 2.4 |

Transport Standards

16 I came across the French equivalent of ITSO, CALYPSO. Various proceedings make attempts at contrasting the differences; unfortunately the CALYPSO parts are presented in French. CALYPSO has been implemented in France, Belgium, Italy, Portugal and Germany. VDV is yet another standard which has been taken up in Germany.

Contactless Cards

17 Contactless cards can be broken down as follows:

- a. Close Coupled. ISO 10536 refers. Works within 2mm of reader.
- b. Proximity. ISO/IEC 14443 refers. Works within 10cm radius of reader. Provides 424 Kbit/s data rate. Ideal for large biometric templates.
- c. Vicinity. ISO 15693 refers. Works within 75cm radius of reader, for which readers are relatively inexpensive.

The Case for Cards

18 It was noted that Smart Card deployment facilitated the collection of reliable statistics. Reliable statistics were not always well received, however. For instance, transport operators had found their subsidies reduced as a result of accurate records demonstrating that fewer than claimed discretionary passengers actually travelled.

19 Other funding sources for Smart Card schemes were explained as advertising and UK government and EU grants. Certain authorities, Aberdeen City Council by way of example, had received the majority of the Smart Card implementation cost from UK government. Hence the card would only have to generate sufficient revenue to run the scheme.

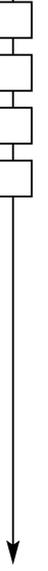
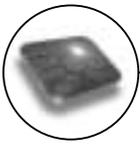
20 Usability was also mooted as a significant business driver for making the investment in cards, eg: removes the need to remember and maintain passwords, possibly even multiple passwords.

21 Co-branding was given as a significant reason for non-take up of some multi-application cards, eg: fights over place and size of VISA and Mastercard logos on cards.

Costings

22 Evidence suggested that the card cost should be multiplied by a factor of twenty to cater for the infrastructure cost associated with introducing and running a card scheme. Infrastructure would comprise registration, readers, back up systems and help desks.





23 THALES presented the following table of typical transport card costings:

| | | |
|--|---------------------------------------|-------------|
| Disposable smart ticket | Covers: | 0.2 - 0.4 € |
| | Single journey | |
| | Multiple journey | |
| | Short period pass Low stored value | |
| Recyclable smart token | Single journey | 1 - 1.8 € |
| | Round trip | |
| Hardwired logic card | Multi-journey | 1.4 - 1.8 € |
| | Period pass | |
| | Stored value | |
| Dual Interface Microprocessor Card | Period pass | 3.5 - 6.3 € |
| | Stored value | |
| | Multi-application | |
| Dual Interface Microprocessor Card with public key coprocessor | Multi-application | >6 € |
| | E-purse | |

Transport

- 24 The North-East (Sunderland) of the UK had opted for a phased card implementation programme to cover transport, e-government services (eg: users have personal areas dedicated to them on the council website), local government and incentive schemes. A phased integration had ensured user buy-in and gradual user familiarity with the technology. About 30k cards had been deployed in various pilots, covering transport, school meals, leisure, rewards/incentives and various authentication applications. Initially a magnetic strip card would be used. Future rollouts would be Trust Services Framework Level 3 compliant — digital signature, Smart Card.
- 25 The marketing director of the London Transport Smart Card scheme flew into Cartes immediately following launch of the initial phase of the scheme with Ken Livingstone. She described the London transport scenario as the biggest and most ambitious of its kind: 275 light rail/tram lines, 1863 stations, 2.5 billion passenger journeys per year and 4 modes of transport, comprising train, tram, bus and boat. Alongside Hong Kong and Singapore, this ambitious claim seemed less than convincing. Public transfer initiative funding had been used to secure a £1.2 billion investment.
- 26 The London Transport deployment of cards would represent a phased implementation: period ticket holders would be accommodated initially. This would be followed by integration of yearly, monthly, weekly and the cash market. All stations had been fitted with contactless readers. It was explained that queues for ticket purchase would be greatly reduced: users would buy travel value over the internet; the next time they would go through a gate, the value on their card would be incremented accordingly.
- 27 Not surprisingly, North-East and London Transport initiatives predated ITSO.

Biometrics and Cards

- 28 Various card schemes had implemented a biometric on a card. In all cases a finger print had been chosen. It was interesting to note that demands on memory and performance had not determined the choice of biometric. Rather, social acceptance to the user population of the fingerprint had been the more important selection criteria. Even 2D bar-coded biometrics stored the template in encrypted form.

PKI

- 29 The use of certificates in the acquisition of raw materials and sale of end product indicated a vastly improved service: fewer people were needed (a reduction in cost of 60% was quoted) and transaction processing time was greatly reduced.

Contact

- Alan Borrett CESG
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- ✉ Alan.Borrett@cesg.gsi.gov.uk



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 3). Here's a selection of the headlines we covered in December:

Corporate

- Semiconductor Sales Receive Welcome Boost
- Keonics And ILL Tech Form Biometric Alliance
- HID Appoints New President
- Lassus Sells Gemplus Shares To Sagem
- Pace License Motorola Smart Card Technology
- SCM Join SmartRight Initiative
- All Change At ID Data
- Chip Sales To Drop By A Third In 2002
- Weak Market Hits Xansa
- Oberthur Bounce Back
- Memec Group To Offer ARM RealView Family
- LEGIC Appoint Austrian Business Partner
- More Gemplus Job Cuts On The Cards
- AT&T, IBM & Intel Launch US WiFi Venture
- SchlumbergerSema to Cut Jobs
- ARM Still Holding Up
- Infineon Disadvantaged Because of High Taxes
- Level Four Joins Diebold Partner Program
- Lassus and Takieddine Resign From Gemplus
- New Appointments at Gemplus
- ChipMOS Taiwan to Acquire Interest in ThaiLin
- Keycorp Settles Court Dispute With US Card Partners
- Setec and TAG to Join Forces in Sweden

Banking

- Aconite Sign Up EMV Testing Partner
- Setec Deliver EMV Cards to Estonia
- MasterCard Overtakes Visa in the US
- TietoEnator Wins Latvian Smart Card Contract

Government

- China ID Card Adopts OTI Contactless Technology
- HID And BIO-key Launch New ID Card Solution
- TSA To Launch Smart ID Pilot Programs

- Hong Kong Launch PKI Forum
- Macao ID Card Hits The Streets
- SchlumbergerSema Deliver Citi Card Solution
- Oberthur win Hungarian Tax Office Contract
- Nigeria's Student Smart Card Goes Nationwide
- Brazil to Attempt to Fingerprint Population
- UK Plan Nationwide Biometric Database
- Labcal Win Canadian R&D Contract
- Trust Centre for South African Post Office

ID & Authentication

- Omron Launch Face-Key Biometric
- New Wi-Fi Smart Card Security Consortium
- Safescrypt Launch Digital Signature Services
- Sagem Selected to Supply Biometrics Technology
- ActivCard Integrates Precise Biometrics To Smart ID Solution
- Identocard and Bioscrypt Form Smart Card Biometric Alliance
- Secure Fingerprint System gets Smaller

Telecoms

- Incard Secures Italian SIM Card Order
- Gemplus Makes R-UIM Breakthrough In The USA
- Mobile Payment Group Adds New Members
- Gemplus Delivers Secure SIM-Based Digital Signature Solution
- Motorola Adopts New ORGA Testing Tool
- Nokia Supplies High Speed Data Services

Technical

- JCB To Roll-Out CTL Card Management Suite
- Toshiba and Sony Launch 65nm CMOS Process
- JCB to use Keycorp MULTOS Platform
- Caradas Adds Support for SCM Smart Readers

- Samsung Smart Cards Awarded Security Certificate
- Ecebs Launch ITSO Toolkit
- Smart Labels to have Standards
- Next Generation Memory Card
- Toshiba to Process Largest Wafers yet
- G&D Select Teradyne Card Design System
- CardBASE and Setec Form Integration Partnership

Retail

- Irish Post Office Rolls Out Trintech PINPad
- ID Data Renew Tesco and AA Contracts
- UK Retailers Warned of Rise in Store Card Fraud
- Price of Chip Reading Terminals Falls
- Tap and Go With MasterCard
- 600 Hi-Life to Accept Mondex
- Bonus Card for SchlumbergerSema
- Verifone offers its SC 5000 to Visa Smart Breakthrough Acceptance Device Program

Transport

- SBI Plans Petrol Smart Card
- Irish Smart Card Transit System Delayed Until 2005
- Hawaii Plans Smart Card Bus System
- Electronic Tickets for Air Canada

Healthcare

- Security Biometrics Forms Healthcare Alliance

Leisure

- Internet plc Secure Star Trek Smart Card Licence
- JUTC Roll Out Smart Ticketing
- GTECH Signs Lottery Deal
- Liverpool Football Club Gets Smart

Misc

- Miotec Awarded British Standard Certificate

Smart Cards Now News On Line 3

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Credit Card

Number

Expiry Date

Signature

Name

Company

Address

Telephone

Email



Asia Pacific Gets Smart

Smart Card issuance set to double by 2005, says report

A new report from analyst group Datamonitor has forecast that the Asia Pacific region is set to become the key growth area for Smart Cards with 1.4bn cards predicted to be issued by 2005 — an increase of over 100% from last year (2002).

The report, entitled “Asia-Pacific Smart Cards to 2005”, identifies the top three applications for Smart Cards in the region as public telephony, mobile telephony (eg: SIM cards) and banking. Public transport was highlighted as the key vertical sector and the report noted that the large scale schemes in the sector were likely to ‘spill over’ into other areas such as logistics and manufacturing, retail, government and financial services. The strong influence of governments in the region (at least compared to Europe and the US) was credited with establishing this ‘organic’ growth within the industry as well as encouraging moves to address issues such as standardisation and co-operation

Singapore and Hong Kong were deemed to be the ‘hot spots’ for Smart Card deployment in the region with Japan another key country. The report says these markets have relied on ‘partnerships, interoperability openness and further impetus from the banks’ in order to stimulate market growth.

The full report can be purchased from Datamonitor: www.datamonitor.com • eurinfo@datamonitor.com



| Millions Smart Cards | 2002 | 2005 |
|----------------------|------------|--------------|
| Australia | 102.9 | 185.1 |
| China | 25.7 | 113.9 |
| Japan | 154.4 | 327.4 |
| Hong Kong | 102.9 | 185.1 |
| Singapore | 83.6 | 170.8 |
| South Korea | 135.1 | 327.4 |
| Taiwan | 38.6 | 104.0 |
| Total | 643 | 1,414 |

Table 1

Card shipment by Asia-Pacific country 2002-2005

Source: Datamonitor

Table 2 >
Smart Card revenues by Asia-Pacific country 2002 & 2005 (\$m)
Source: Datamonitor

| \$m | 2002 | 2005 |
|--------------|--------------|--------------|
| Australia | 219.6 | 369.7 |
| China | 109.8 | 312.8 |
| Japan | 360.8 | 568.7 |
| Hong Kong | 203.9 | 341.2 |
| Singapore | 203.9 | 312.8 |
| South Korea | 360.8 | 597.1 |
| Taiwan | 109.8 | 341.2 |
| Total | 1,569 | 2,843 |

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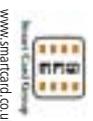
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