

PRESS RELEASE

 **Making Our Cities Smart**

How Near Field Communication (NFC) makes SmartCities possible

Paderborn, 9 december 2013 - Easy payment via wireless technology will soon be standard, but NFC is also making its way into our cities to provide other innovative services: NFC chips in smartphones or contactless NFC smartcards offer solutions for effective new services and city mobility. The new technology will become part of our daily lives and make our towns and cities more innovative and people-focused. At the same time, it will lessen burdens on municipal budgets and reduce operating costs, and it will offer additional sales and customer potentials for banks, commerce and other industries and collaboration partners.

In the heads of some public administrators, mayors, public transportation managers or bankers, the future has already begun: For some time now, they have been focusing closely on the question of how mobile phones or multifunctional smartcards can be used not just for payment purposes, but for a whole range of other citizen services. NFC – a cutting edge technology that enables secure wireless data transfer – plays a decisive role in this field as a technology component for a wide spectrum of mobile solutions.

Cashless payments or ID card-free identification will soon be everywhere around us, e.g. when we use public transport, need to show proof of identity at the library or swimming pool, or want to rent a bicycle or car. exceet already has wide-ranging experience in planning and developing such projects in collaboration with clients and partners from public administration, banks, and urban transport associations.

The scope of contactless and mobile services is impressive in all these fields. For example, in many restaurants, cafés or shops, customers no longer need to open their wallet when they want to pay the bill. They just need to let the waiter or point-of-sale staff know that they would like to pay by mobile phone. The service person then brings a portable terminal right to the table. The customer holds his or her cell phone against this terminal for two or three seconds until there is an audible beep – and the payment is debited from the customer's bank account.

Payment amounts up to 20 Euro do not require authorisation via PIN, so that the “mobile phone wallet” really does make life a good deal easier. Projects such as giro-to-go have already been tested successfully. giro-to-go is a contactless payment function developed by the German banking industry. It is integrated into all debit cards that are newly issued by savings banks and cooperative credit institutions in the Hannover, Braunschweig and Wolfsburg metropolitan area. It can be used for quick, easy, contactless payment of amounts up to 20 Euro. Just hold the card up to the terminal for a moment – done. No swiping the card, no PIN, no signature. The payment principle can also be used by smartphones equipped with an NFC function.

Similarly, customer cards can already be used easily and securely in the world of mobile customer loyalty programmes, thanks to a solution by the company bluesource and its “mobile pocket” app. To

provide special buying incentives, customers can also be rewarded by cash vouchers or loyalty points whenever they make a payment. To receive such rebates or bonuses, all they have to do is take out their mobile phone with the electronic “mobile pocket” customer card.

People who frequently use public road or rail transport will be especially happy about the advent of the NFC age. They can buy tickets via app, anytime and anywhere and, if desired, including a GPS pilot service to show them the way to the next bus or tram stop. Once aboard public transport, they just need to hold the digital wallet up against a special reader to validate the ticket. People who prefer to use a bike can also rely on the wireless service to show proof of identity at one of the many bicycle rental stations.

NFC also enables access control in the public transport sector and in sensitive enterprise or public administration spaces such as museums, swimming pools or libraries. Cities, counties, public transport agencies and banks no longer want to lag behind. They want collaborate as partners and build their own SmartCity.

Despite a number of interesting projects, in Germany NFC technology for mobile payment services is still in its infancy. But according to an independent study by the German Association for Consumer Research (GfK), one in two Europeans would already be willing to use their mobile phone for payment purposes. Asked which potential service provider they would trust most when making mobile payments, 86 per cent of respondents chose their bank. 74 per cent were also ready to place their trust in a collaborative effort between the banks and the four mobile phone network operators.

This study should be a wake-up call for the major mobile network providers. After all, Deutsche Telekom and Vodafone together have around 70 million mobile phone customers, and they should seize the opportunity to profit handsomely from these customers’ mobile payment transactions.

As an NFC pioneer, exceet has already implemented and validated a series of pilot projects in the fields of ticketing, banking and transportation. Close collaboration with the banks, transport agencies and mobile network operators was successful in all these instances. Usually, contactless payment solutions and services have seen use in fields such as public transport, retail trade, or bicycle or car rental in cities, but the spectrum of potential applications is growing steadily.

exceet is positioned to offer design, development, production and services for the entire range of card technologies:

- **Chip, RFID, NFC, micro-controller, magnet strips, bar codes**
- **One-stop shop for everything from the module to the antenna to the smartcard**
- **Personalisation via laser or thermal printing, inkjet or embossing**
- **Offset- and screen-printed special effects
(glitter, transparent, glossy, matte, satin finished, laminated)**
- **Mailing, lettershop, reporting**
- **Customer orientation, rapid and flexible services for small and large production runs**
- **Production facilities in Germany, Austria and Czech Republic**

A promising approach lies in embedding the technology into an all-round everyday scenario, as is currently planned for the city of Stuttgart. Here the municipal transport associations, the BW Bank – a subsidiary of the State Bank of Baden-Württemberg – as well as select local service providers are working on developing a multifunctional card that will make Stuttgart smarter and provide excellent customer service. “The intelligent city is not as far away as most people think. But the people who will build it are fully aware of the fact“, says Robert Wolny, CEO of exceet Card Group. He continues: “Urbanisation, globalisation, demographic and climate change are creating ever tougher challenges for cities, but they also open up great opportunities for learning how to handle energy, resources and people more efficiently. Seizing these opportunities should be the goal of any SmartCity.”

An important basis for such innovative projects is the integration of information and communications systems into a city’s various technical systems and infrastructures. This enables the development of modern solutions for city mobility, administration and public safety. People, enterprises, institutions and the public administration are intricately involved with one another, and by developing efficient and integrated information flows they can enhance the life and work quality of everyone concerned. Increasingly, cities see themselves as service providers for their residents and enterprises, and understand that they need to make administrative processes smoother and more transparent. Optimal networking within a city not only makes many aspects of day-to-day life easier, it also encourages ecologically sustainable solutions. “The SmartCity is an informed, networked, mobile, safe and sustainable city“, says Robert Wolny. He adds: “Perhaps this provides sufficient incentive to take a closer look at the issues. Enterprises like exceet and technologies such as NFC are already available to help.”

Tomorrow’s intelligent city needs intelligent thought leaders and bold entrepreneurs.

About exceet Card Group

exceet Card Group AG combines the strengths of global leaders of RFID, dual interface and chip card manufacturing. The Group’s innovative product portfolio extends to design, development, consulting, production, personalization and lettershop, making us the leading full-service provider of smartcards, NFC-solutions and readers. In the mobile payment field, exceet Card Group offers mobile services, identity safeguards, secure payment solutions, authentication of online services, and cloud computing access.

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