



Store Logistics and Payment with Near Field Communication

Hagenberg, March 20. 2007.



6-th Framework Program (IST) **Specific Targeted Research: Innovation Project – STREP** Coordinator: Motorola Duration: 36 months (from 1st July, 2006) Budget: EUR 8,927,702. Community Contribution: EUR 4,878,309.







Specific Targeted Research Project with funding from EU 6FP.



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Cope with the challenges of (mobile RFID) NFC

- •More than million contactless card users in Korea and Japan
- •Pilot applications:





NFC Handset

South Korea – SK Telecom, multiple apps. Netherlands – Roda Stadium for ticketing Taipei Subway for mobile payment Malaysia for mobile payment Thailand for mobile payment New York Metro Germany – RMV trial for public transport

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STILLAND NFC Enabled Handsets and Cards

Embedded – Nokia 3210, Samsung SCH-X700N, Motorola L7, Nokia 6131



SIM – Sagem NFC phone, Gemalto SIM
SD card – Wireless Dynamics

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STILLAND NFC Enabled Handset Prognosis



BU Automotive and Identification, Philips Semiconductors, September 6, 2006

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Basic Categories of NFC Applications

1. Touch and Go

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"code capture: RFID"

2. Touch and Confirm

"authorization needed" password, or acceptance

- **3. Touch and Connect**
 - " peer to peer data transfer"
- 4. Touch and Explore
 - " selection from option"



FILM: Potential Applications for NFC

Transactions

Payments, Ticketing, Top-up, Toll-gate, Access control







Service Discovery

Content distribution, Information access, Smart advertising, Smart media

Connectivity

Peer to peer data transfer. Device association, Setup & Configuration







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- The convergence of RF technologies in the near future could form the basis for a broad range of new mobile electronic applications such as automatic object and person identification, secure data transfer, and automatic device configuration.
- The new technology will generate several logistical and legal questions, such as who will handle the electronic identity codes, who-, when-, and how long the products and persons can be traced.
- The RFID and NFC-based technology will reshape the product logistics and electronic payment system, so preparation is needed for coping with the new situations.

This is the purpose of StoLPaN project

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Objectives of StoLPaN 1.

Mobile Track:

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- **1. Define a technical environment** that supports single platform multi application NFC Service operation
- 2. Elaborate a logistical and business model that takes into account the interest of the value chain, generates new revenue channels for the mobile network operators and provide a value added service environment for both the service providers and the customers
- **3. Initiate standards** by presenting the results to the relevant industrial, financial, transport and communication organizations
- 4. Demonstrate the results with a Host application

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STOPPED Objectives of StoLPaN 2.

Retail Track:

Design and develop new retail logistical process flow based on mobile NFC technology that individualizes the payment and check-out process to improve convenience of the shopping process and increase store capacity.

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Research Tasks:

1. State of the Art Analysis

- NFC technology
- Handset technology
- Secure element
- Payment purses
- Card distribution solutions
- Retail processes
- NFC trials

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SIIIPH. **Research Tasks:** 2. Use Case Analysis Payment (e-purse, card payment - several card management-, money transfer, POS operation) Ticketing (Public transport, event ticketing) Content ("Smart poster"- type use cases, Device pairing, Connectivity) Loyalty (For large loyalty programs, For smaller merchants) Access (Hotel room booking -can be extended for parking in the hotel, Consume hotel services) **Corporate usage** (Entrance to the office)

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- How can we extend existing contactless card applications,
- How can we add extra resources to implement new value added services

STILLAND Commercial & Technical Framework



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3. Host Concept Development

J2ME StoLPaN Host application provides value added features and services, utilizing the handset's resources.



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Research Tasks:

4. Seamless Mobility Service Development based on EPC and NFC

FC Card

Emulation

NFC Card Emulation

- EPC and NFC compatible mobile phones
- EPC based product information
- EPC based product authentication (anti-counterfeiting)
- EPC triggered mobile advertisement
- NFC based loyalty programs
- NFC based self check out and mobile payment

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NFC

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NFC Card

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Summary of StoLPaN Research Issues

Solve technical and security issues

- hide diversity of handsets
- hide diversity of applications
- introduce standards

Contribute to user related issues

- test new use cases
- perform user studies
- validate existing solutions
- publish results of usability related research

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Openness

Transparency

Solve business issues

more simple development
more simple apps. distribution
more simple apps. mngmnt
revenue generation for key stake holders

Identify legal issues

- identify issues that may hinder penetration of the technology or individual services
- identify issues that deteriorate economics of services

Efficiency

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Dr. László Kutor, BMF

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- 1. StoLPaN: A Pan-European Consortium Supported by the European Commission's IST program. StoLPaN examines the potential for bringing together the new kind of local wireless interface, NFC, and mobile communication. <u>http://www.stolpan.com</u>
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