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## Bits

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### Attacking the Mobile Wallet Gap

*By Saul Hansell*

I can hear it now: calls to address the mobile wallet gap.

After all, a lot of cell phones in Japan can beam your credit card number to a nearby terminal, allowing you to buy your manga and ramen without ever pulling your wallet out of your pocket.

How can we feel proud as our president meets world leaders if our cell phones can't buy Dunkin' Donuts the same way?

An outfit called **Blaze Mobile** has come to the rescue with a way to jump-start our economy with a wave of wireless spending. Even better, no one needs to get a new phone.

Its solution: **stickers**.

Yes, just slap one of its nifty stickers — embedded with a radio frequency identification, or R.F.I.D., tag, that is linked to a credit or bank account — on your phone, and you can shop to your heart's content, wallet-free. Well at least you can shop at merchants equipped to accept MasterCard's **PayPass** R.F.I.D. system, including 7-Eleven and Best Buy. (Banks have already been embedding the R.F.I.D. tags into plastic stubs for your keychain and into credit cards themselves.)

Count me as a skeptic here.

I've written about all sorts of payment systems, like **MasterCard's Mondex**, which put cash on a microchip embedded in a "smart card." It turns out that in a world where nearly every place you want to buy something can be connected right back to your bank, you don't need to store value on cards. So an account number on the magnetic stripe of your credit card works just fine.

The Blaze-PayPass approach is very similar. Your account number is on the R.F.I.D. chip rather than the magnetic stripe. That means you can simply wave

your card, keychain or phone over a merchant terminal rather than running a card through a reader. (How big an advantage is that?) The R.F.I.D. tag is also a bit harder to forge than a traditional card, but it's hardly foolproof.

The disadvantage is that in a dystopian world, your every movement can be mapped by scanners that read those R.F.I.D. cards in your wallet (and the E-ZPass tag in your car, etc.).

In Japan, the mobile wallets are not based on stickerphones. Rather, they have built-in chips using technology called near field communication. While similar to R.F.I.D, this approach lets the phone read and write information. So the handset can keep track of purchases and be loaded with tickets, reward points or electronic cash.

A phone with near field communication is not high on my gotta-have-it list, but I can see some handy uses. It seems like a fine way to distribute airline boarding passes, for example. The cost needs to be low, and the standard, ubiquitous, of course. And it means the wireless carriers would place themselves in the middle of every transaction moving information onto and off my phone.

The Blaze stickers can't do any of these things. (In fact, they can't connect to any card yet except a prepaid MasterCard account. The company is trying to get banks to sign up.)

But for those who want to pretend their phone is connected to their sticker, Blaze has created a mobile wallet application for the Apple iPhone that can link to your bank account over the Internet to show you your balances and transactions. (Yes, there are lots of other applications, like one from Mint, that do the same thing. But they don't have the cool sticker.)

All this raises a question: Why do you need to need to put this R.F.I.D. sticker on your phone? If you lived in Seattle, say, wouldn't it be more convenient to charge your lattes with the handle of your umbrella?

I asked this of Jim Campbell, the chief marketing officer of Blaze. This is what he e-mailed back:

Although the mobile payment sticker is designed to be used on the phone as a complement to the Blaze Mobile Wallet, you can put it on your umbrella if you wish (we always joke you could put it on your forehead if you wanted to!).

Maybe that's the right idea. Dystopians be damned; we can leap right over those cell phone-toting Japanese and embed our credit cards right into our bodies. It

could be a great way for the Face Book generation to freak out its pierced and tattooed parents.

As for me, I'll buy my Munchkins with a good old plastic credit card, or maybe a dollar bill or two.