

Banking Group to Set RFID Roadmap

Hoping to facilitate RFID adoption by its members, the Financial Services Technology Consortium is working toward instituting a standardized approach to using the technology.

By Mary Catherine O'Connor

July 16, 2008—"Where business and technology leaders build solutions for the financial services industry." That's the tag line for the [Financial Services Technology Consortium](#) (FSTC), a New York-based group comprised of (often competing) North American financial institutions, technology vendors, independent research organizations and government agencies, that work together to test, validate and standardize the use of new technologies for applications in financial services. And to that end, the consortium has created a special-interest group (SIG) to develop a roadmap for adopting RFID technology across the financial services industry for such applications as asset tracking, inventory management and chain of custody.

"We have had a lot of conversations regarding the value of RFID in banks, for things like tracking inventory or the movement of financial documents between banks, and banks are interested in these applications," says John Fricke, chief of staff of the FSTC. "The goal of the banks that I have talked to is to use RFID in a standardized way, so that if assets are moved between bank branches, or if the same courier is picking up and delivering bags for multiple banks, all of the RFID tags will be read and used the same way, with the same equipment. The more we standardize the way we track assets, such as IT assets in a data center, the easier it will be to use the technology."

To date, the SIG has held three phone-based meetings. At one such meeting, participants—including representatives from [Wells Fargo](#), [Visa](#) and [IBM](#)—shared their experiences using RFID tags for asset tracking. Tag and data security was the topic of a second call, while a third focused on employing RFID at retail bank locations.

The group's next meeting will be a two-day conference, to be held July 29 and 30 in Rockville, Md. Fricke says he hopes many banks and technology providers will attend this meeting in order to devise a roadmap for developing an RFID standard—that is, a common tag type, as well as business practices for collecting and sharing the unique identifiers that will be encoded to the tags and utilized to track assets.

"All banks, including credit unions, and vendors are being encouraged to attend," Fricke says. [Motorola](#) is sponsoring the event and will host it at one of its facilities; a Web site with details regarding the exact location and hours is still in development. Those interested in attending can visit the [FSTC Web site](#), where event details will be posted in the coming days, or they can contact the FSTC staff through the organization's [contact page](#).

According to FSTC, four of its members—banks comprising four of the top five financial institutions in the United States—requested that the organization develop standardized processes for employing RFID in the financial services industry. That request was the impetus for initiating the SIG.

Thus far, the SIG has identified a number of guideposts for developing a standardized approach to using

RFID. The group needs to determine a uniform numbering scheme, so banks across the industry will be able to use a common means of creating the unique identifiers encoded to RFID tags. It also wants to settle on a single type of tag—that is, to specify the tag's radio frequency and air-interface protocol. Moreover, the SIG needs to determine a common tag-placement location on such things as documents, magnetic tape and other data storage media, as well as the locking bags used to transport these types of assets.

RELATED_ARTICLES According to Fricke, the EPC Gen 2 UHF passive tag standard is most likely what the financial services industry will adopt for its needs, though that is not yet set in stone. "We are leaning in that direction [of Gen 2], but we are still doing a lot of research," he says, adding that the FSTC and EPCglobal are members of each other's organizations. "But at the upcoming meeting, we will be looking at all options—the idea is to narrow the scope down."

In the future, the SIG plans to focus on ways in which RFID can be used in a manner similar to how banks currently employ bar codes to track everything from documents to IT assets. It does not intend, however, to examine RFID use in payment applications, such as those utilizing mobile devices or payment cards containing RFID tags complying with Near Field Communication (NFC) standards.

Copyright ©2005 RFID Journal, Inc. All Rights Reserved