

Visa Partners With Nokia to Offer RFID-enabled Services

The credit card company will leverage Nokia's newest Near Field Communications (NFC)-enabled handset, the Nokia 6212 Classic, to deliver a range of applications, including contactless payments, money transfers and remote payments.

By Beth Bacheldor

Oct. 3, 2008—[Visa](#) and mobile device manufacturer [Nokia](#) are joining forces to deliver new services, including contactless payments, money transfers and remote payments, on Nokia's newest Near Field Communications (NFC)-enabled handset, the Nokia 6212 Classic.

The NFC-enabled handset contains an RFID module that can function as an RFID tag and as an RFID reader. The module operates at 13.56 MHz frequency and supports ISO/IEC 14443. The 6212, which begins shipping this month and will be available worldwide, is Nokia's fourth-generation NFC-enabled handset. The new handset expands on Nokia's NFC capabilities already available in the 6212's predecessor, the 6131, which was launched in the summer of 2007 and was Nokia's first fully integrated, commercial NFC phone that supported read-write capability and card emulation, two of three NFC features defined by the [NFC Forum](#), a group of manufacturers, applications developers, financial services institutions and others working to advance the use of NFC technology by developing specifications, ensuring interoperability among devices and services, and educating the market about NFC technology. With card emulation, the NFC device itself acts as an NFC tag, appearing to an external reader much the same as a traditional contactless card. This enables such applications as contactless payments and e-ticketing, for example.

The new 6212 Classic supports read-write capability and card emulation but adds the third feature—peer-to-peer communication—so that two NFC-enabled handsets can communicate and exchange information with each other by tapping them together (or bringing them within 4 centimeters of one another), explains Gerhard Romen, director of corporate business development at Nokia and vice chairman of the NFC Forum. Nokia's other previous NFC-enabled models could read supported RFID tags but not write to them. Its first model, launched in 2005, was simply an existing handset retrofitted with an NFC module, and the second, the 5140, had a built-in NFC module with read-only capability.

"Peer-to-peer communication means that if two people meet and have the 6212 devices, instead of exchanging [paper] business cards, they can exchange those cards automatically by tapping their phones together. Or let's say I have my phone, I take a picture, then I can touch your phone and you'll have the picture. Or I have a long URL I want to share with you, instead of showing it to you [on my handset screen] and then you try to type it into your handset, I just tap your phone and you have the URL," Romen explains.

Although Visa has no immediate plans to develop payment-related services that leverage the peer-to-peer communications feature in the 6212, Nokia spokeswoman Elvira Swanson says the new phone provides a smart, sophisticated platform for Visa to advance its mobile payments and services strategy. "Lots of people have Visa cards in their wallets," Swanson explains. "Mobile is a new channel for us that allows us to extend

our products, and allows us to interact with cardholders in ways that we've never been able to do."

The new payment services, which will first be made available for trial use by interested financial institutions, will let Nokia 6212 Classic customers that already have a Visa card to use their Visa phone to pay for goods and services. The phone would use the NIF module's card-emulation to function as a Visa payWave contactless card. Via a partnership with U.S. Bank (the lead bank of U.S. Bancorp), Visa will also begin a mobile money transfer pilot that lets Visa cardholders in the United States use their mobile phones to securely send funds directly to another registered Visa cardholder's account. The pilot, which is intended to begin by the end of 2008, is the first U.S.-based trial testing mobile money transfers between Visa accounts.

In addition, Visa cardholders participating in this pilot will be able to initiate money transfer transactions using a mobile Web browser to access a secure interface. The transferred funds will be credited directly to the recipient's Visa debit card account. The recipient can then access the funds by withdrawing the cash at an ATM or by using their Nokia 6212 phone or a Visa debit card to make a purchase at any merchant that accepts Visa. The first phase of the will enable domestic money transfers within the United States and will involve several Visa issuers, including U.S. Bank, and as many as 6,000 Visa account holders. Visa also plans to offer payment-related services such as transaction alerts that would be delivered to the 6212 Classic.

RELATED_ARTICLES "Customers will be able to set preferences that trigger alerts whenever, for example, a transaction exceeds a dollar amount. The customer would get the alert almost exactly at the point of sale," she says.

Visa and Nokia have a history of working together on NFC-enabled payment services. In 2006, Visa and Nokia conducted a six-month trial in Atlanta's Philips Arena last year (see [NFC Scores High at Atlanta Arena](#)). A year later, Visa and Nokia, along with Wells Fargo, ran a three-phase pilot in the San Francisco Bay area to test consumer interest in using cell phones to function as contactless credit or debit cards. That project involved the Nokia 6131, which participants used to make purchases at simulated merchant locations at a Wells Fargo test site (see [Visa and Wells Fargo Testing NFC Payments](#)).

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