

# **Mobile Commerce in Japan**

**September 2007**  
**CGAP & World Bank**



## *Objectives*

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- Overview of FeliCa Contactless Technology
- Business Structure
- Edy e-Money Overview
- Factors Required For Successful Commercial Launch

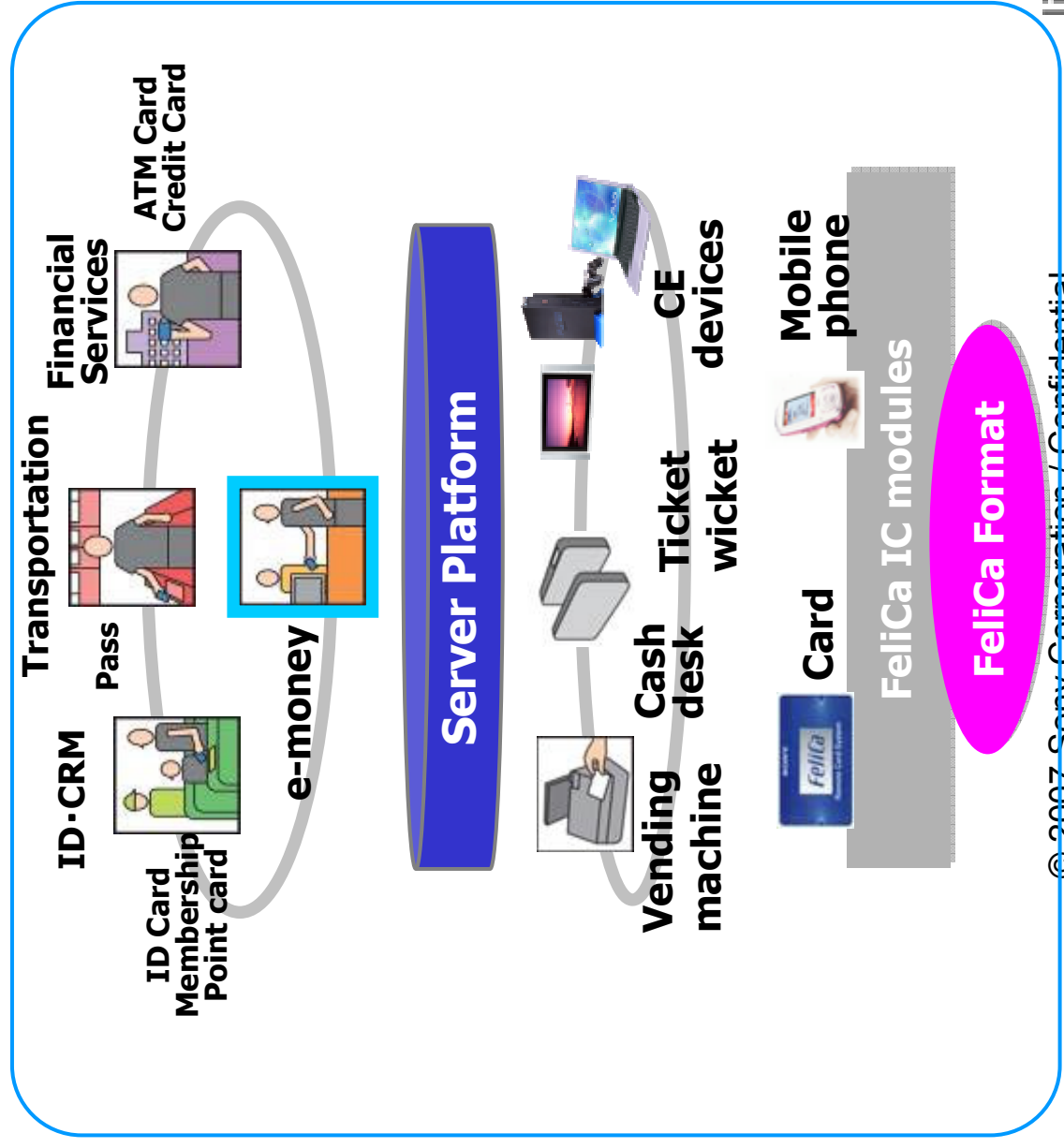
## ***FeliCa Technology Overview***

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- FeliCa is a contactless technology developed by Sony which allows multiple applications to co-exist on the same Card or Mobile Phone
- Sony Is also a co-founder of Near Field Communication (NFC) contactless technology
- Typical applications include:
  - e-Money
  - Ticketing
  - Loyalty Programmes
- FeliCa is the world's only one contactless solution that has been successfully commercially launched working with cards, mobile phones, the Internet and various other applications
- The FeliCa ecosystem has been created by Sony and many other industry players such as retailers, transportation companies, banks, card manufacturers, reader/writer manufactures, etc.



# Business Structure - General



## ***Business Structure - bitWallet e-Money***

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### ***Corporate Information***

Company Name	: bitWallet, Inc.
Establishment	: 2001.1.18
Main Business	: “Edy” Brand Management “Edy” Technology Development & Licensing “Edy” e-Money Service Operation

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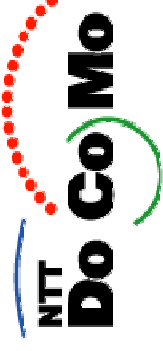
### ***Where Do Financial Institutions Fit In ?***

- Evolving business models in which key participants of the ecosystem blend to offer mobile payment services
  - In order for this to be successful, all participants of the ecosystem must benefit and the business model must be profitable
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# Business Structure - FeliCa Networks

- FeliCa Networks established in Jan. 2004.
- Coverage is Japanese Market

**SONY**



**SONY**

## Edy e-Money Overview

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### 1. *Prepaid e-money using “FeliCa” contact-less IC card technology*

- High Security, High Speed, Store up to 50,000 yen (Edy defined limit)
- Easy to reload/top-up from Cash, Credit Card and Bank Account

### 2. *Suitable for small amount payment*

- Touch and Pay – Speedy, Easy & Convenient
- No limitation of Age, Anonymous payment



### 3. *Multiple Edy Applications / Personalities*

- *Edy with Credit Card, Bank Card, ID card, Membership Card, Point Card, etc.*
- *Linkage with Mileage Service, Point Service, Discount Service...*

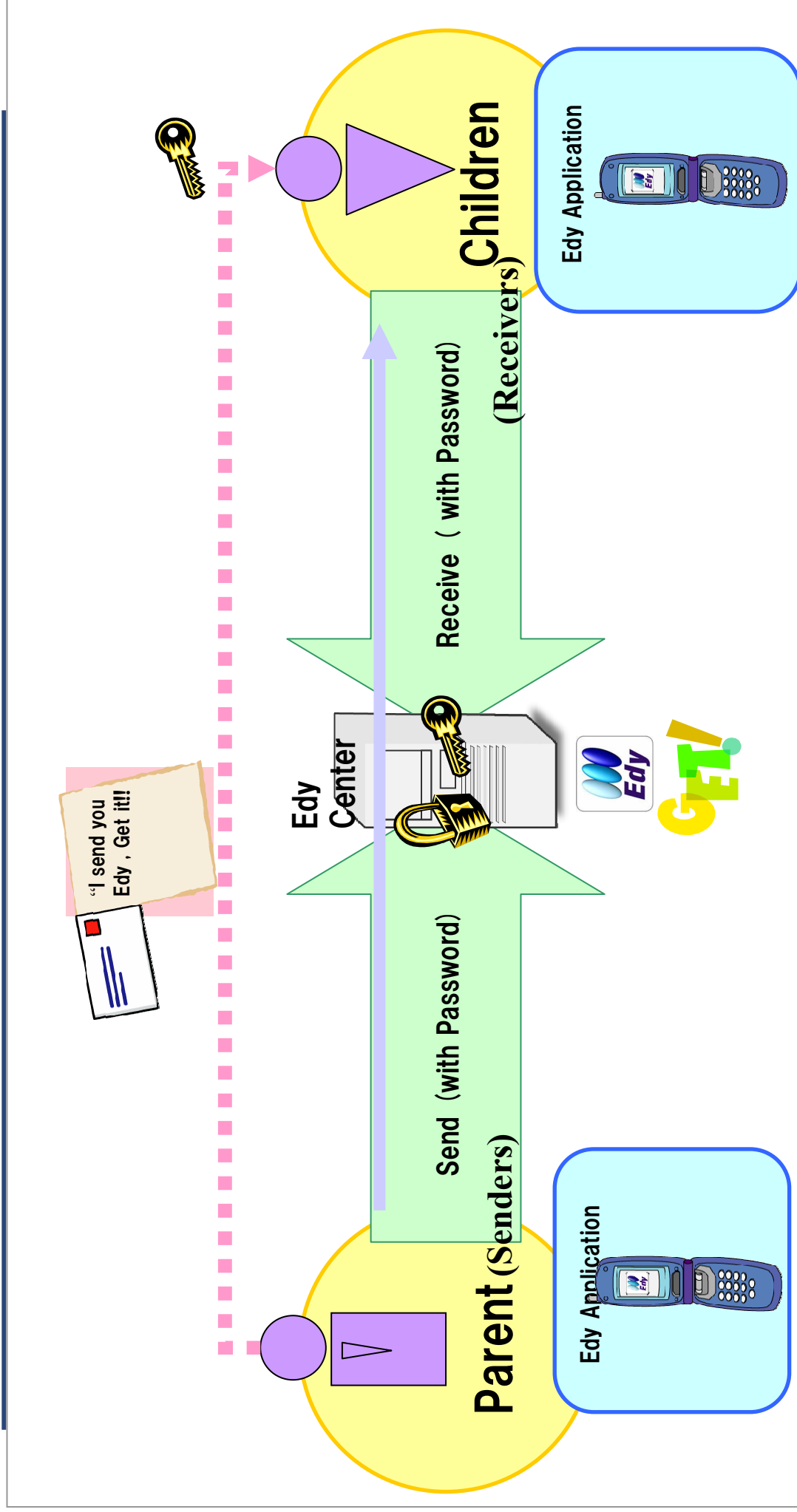
### 4. *Click and Mortar*

- Real Store, Internet, Mobile Commerce



The Sony logo, consisting of the word "SONY" in a bold, blue, sans-serif font.

# Edy e-Money Overview - Person to Person Transfers





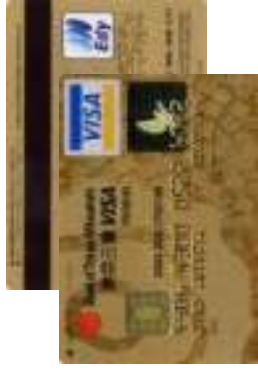
# Edy e-Money Overview – Different Variations

# Felica

**Membership Card**



**Bank Card**



*Bank of Tokyo-Mitsubishi*



*Japan Post*



*Suruga Bank*



*Mizuho Bank*

**Credit Card**



**ID Card**



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•  
•  
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**Mobile Phone**



# SONY

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# Edy e-Money Overview – Wallet Phones

FeliCa



- e-Money
  - Credit Card
  - Transport Ticket
  - Entertainment Ticket
  - Air Ticket
  - Membership Card
  - Point, Mileage
  - Amusement
- and more.**



Shopping



Vending Machine



Amusement Machine



Air ticket



Entertainment ticket  
**SONY**

## ***Factors Required For Successful Commercial Launch***

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- Business model and ecosystem knowledge and experience – It needs to make economic sense for all participants in the ecosystem
- Knowledge & experience in launching and operating contactless and mobile services
- Proven and reliable platform and technology
- Appropriate security level to operate e-Money and other financial and retail applications



# Thank You

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