



## Mars Electronics International signs worldwide deal with DigiCash

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FOR IMMEDIATE RELEASE (Release Date: March 26, 1996)

Mars Electronics International, the worldwide vending and Unattended Point Of Sale, coin, note and cashless payment systems company, has concluded an exclusive worldwide technology licensing arrangement with DigiCash B.V. to provide access to their advanced Smart Card reader technology. The deal will enable MEI to offer DigiCash Smart Card based products, to complement and expand its existing range of payment solutions.

The deal was signed on 25th March 1996, and will enable MEI to build on the existing twelve years of experience in Cashless markets obtained with the current Multicard® 'mag-stripe' technology product. It will enable MEI to take the next step in the development of its Cashless range. DigiCash and MEI have been working together over the last year on a programme of Smart Card reader development and manufacture. As the relationship developed, it was mutually decided to expand the manufacturing agreement into a full technology licensing deal. This will now lead to the manufacture of a brand new product range for MEI, as well as the setting up of several joint venture programmes, featuring the Smart Card technology. The companies will design the products to be compatible with all future technologies, including ongoing developments in banking specifications, as well as customer and market needs. This will herald the first step by MEI into Smart Card technology.

### DigiCash offer the 'smartest' Smart Card in the world

DigiCash are acknowledged as world leaders in cryptographic and Smart Card technology and its application to secure, robust and reliable payment systems. DigiCash are also the company behind 'e-cash™' the Internet secure payment product. It is no surprise that they should choose to enter a partnership with MEI, who are equally renowned as the world's leading manufacture of unattended point of sale systems.

David Chaum, Managing Director of DigiCash B.V., said, "I am delighted that we have been able to finalise this deal and I am looking forward to continuing and expanding our relationship with Mars Electronics. There is no doubt that Smart Card technology will become very important to us all, as consumers, over the next few years, and it is reassuring to have a business partner with the background in manufacturing and global distribution, as well as the skill in, and knowledge of, world payment systems that exists at Mars Electronics. I am personally very enthusiastic that Mars Electronics has chosen not just to commercially exploit this product, but to invest significantly in its on-going development.

### MEI will be a major card player

Nick Habgood, MEI's Marketing Manager pointed out, "We are particularly pleased to be associated with DigiCash, a world class technology company, on our venture into Smart Card technology. It is very satisfying to have the world leader as a partner." He went on to say, "Mars did evaluate chip-card technology some years ago, but at that time we concluded that Smart Cards were going to be the only practical solution for payment products that needed to be flexible, reliable, and more importantly, robust. This new venture with DigiCash is a realisation of a need and will give MEI a Smart Card platform upon which we can base a series of products. We will then be able to meet the present and future needs of our customers in a variety of payment markets. He added, "MEI already has a dedicated team of engineers and product development personnel co-operatively working together and in parallel with DigiCash's engineering team." He reinforced the point that, "We (Mars Electronics) are investing strongly in this venture. It is an area of strategic development."

The longer term scenario for both companies will be the establishment of the new technology in the commercial world and the dual desire to fulfill all customer needs in the future. Mars Electronics and DigiCash have been watching the electronic payment solutions market (both public and multi-application) grow rapidly, and we fully intend to be in the forefront of product development providing solutions for a variety of payment applications, including vending and other unattended point-of-sale solutions.

MEI and DigiCash are already in contact with the key players in the electronic cash market, and whilst no further information can be released at this stage it is worth suggesting that you watch this space...

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## Chip cards and Smart Cards - What is the difference?

### Chip Card

A chip card is basically a dumb, memory only card. It does not have any computing power or 'thinking' ability.

### Smart Card

A Smart Card is just that. It is smart. In fact it contains a complete microprocessor along with Read Only Memory (ROM) for programmes, Random Access Memory (RAM) for temporary variables and an EEPROM (Electronic Erasable Programmable Read Only Memory) for permanent variables. In effect it is a computer on a credit card. The upside is that the Smart Card can be made to be highly secure, reliable and very robust. Smart Cards are the basis for the new "electronic cash" payment systems which are being developed by a number of financial institutions around the world.