New Zoosh technology provides NFC capabilities without the chip
22 June 2011, by Bob Yirka

(PhysOrg.com) -- New startup, Naratte (rhymes with karate) has announced the arrival of Zoosh, a new technology that does most everything that Near Field Communications (NFC) devices have been promising for the last couple of years, without the need for a new embedded chip. Zoosh lets current smartphones communicate directly with enabled Point of Sale (POS) devices or other Zoosh enabled phones, thus facilitating sales and trading of other information using nothing but the phone's speaker and microphone and a little app.

The technology works by essentially converting a smartphone's I/O devices into an old fashioned modem. High frequency signals are sent via the speaker of one device, which are then heard by the other's microphone and vice-versa; software interprets the information and formulates the conversation automatically. NFC devices, of which there is actually only one currently on the market, the Nexus S by Sprint, in contrast, rely on an embedded chip to perform such communications functions (see a video demo).

The whole idea behind both approaches is to allow customers to pay for stuff with their phones (or other handheld devices) at stores, in roughly the same way they now pay with credit cards. Sales would be billed to a credit card, PayPal account or whatever the customer has set up. But instead of running the phone through a reader, the customer would point it at the cash register, launch an app that would allow the phone to communicate with it directly and complete the sale. Also included would be the ability to let users redeem virtual coupons or gift cards.

Zoosh appears to be jumping into the void created when phone companies, banks and credit card companies all began touting the advantages of allowing users to use their phones to pay for on-spot purchases without having to resort to going online and essentially ordering something they have in their hands already. But, since the technology has been slow to appear, companies such as Naratte have jumped in with apps that can be used right now. But not all is peaches and cream for this new approach either as none of the backroom testing and arm wrestling has gone on to convince big name companies that the new technology will work, and more importantly, that it will be as secure as true NFC devices are believed to be.

Currently, Naratte has but one partner, another startup called SparkBase, which plans to use the Zoosh technology for a mobile wallet application called PayCloud.

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