

Wireless carriers team up on mobile payment network

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AT&T, T-Mobile and Verizon Wireless said they had formed a joint venture called "Isis" that aims to "fundamentally transform how people shop, pay and save."

They said the initial focus will be on building a network that uses mobile phones to make purchases and expect to introduce the service during the next 18 months.

"Our mobile commerce network, through relationships with merchants, will provide an enhanced, more convenient, more personalized shopping experience for consumers," Michael Abbott, chief executive of Isis, said in a statement.

"While mobile payments will be at the core of our offering, it is only the start," said Abbott, a veteran financial services executive formerly with GE Capital.

"We plan to create a mobile wallet that ultimately eliminates the need for consumers to carry cash, credit and debit cards, reward cards, coupons, tickets and transit passes," he said.

AT&T, T-Mobile and Verizon said they are working with the payment network of Discover Financial Services, which is currently accepted at more than seven million merchant locations, on the infrastructure for the joint venture.

Barclaycard US will be the first to offer mobile payment products, they said. "Moving forward, Isis will be available to all interested merchants, banks and mobile carriers," Abbott said.

Google chief executive Eric Schmidt showed off a new Google [mobile phone](#) on Tuesday that incorporates the [mobile payment](#) technology, making it a virtual wallet so people can "tap and pay."

The successor to the Internet firm's Nexus One smartphone is embedded with a near-field communication (NFC) chip for financial transactions, the same system Isis plans to use.

NFC technology uses short-range, high frequency wireless to enable the encrypted exchange of information between devices at a short distance.

"You will be able to take these mobile devices that will be able to do commerce," Schmidt said, eventually replacing credit cards.

The near-field chips store personal data that can be transmitted to readers, say at a shop checkout stand, by tapping a mobile handset on a pad.

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