

Samsung buys digital wallet star to take on Apple Pay

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Samsung Electronics announces a deal to buy LoopPay, a young digital wallet firm challenging Apple Pay at retailer checkout terminals

Samsung Electronics on Wednesday announced a deal to buy LoopPay, a young digital wallet firm challenging Apple Pay at retailer checkout terminals.

The South Korean consumer electronics giant did not disclose how much it is paying for Boston-based LoopPay, which was founded in 2013.

LoopPay technology is compatible with approximately 90 percent of retail terminals to let customers tap their phones for payment with registered credit cards, according to Samsung.

LoopPay has been built into smartphone cases as well as into fobs, or dongles, and transmits credit card data using magnetic fields to point of sale terminals in shops to effectuate transactions.

Buying the company will allow Samsung to use the technology to infuse its smartphones or tablets with mobile wallet capabilities that will work with magnetic stripe readers already in most shops.

"Through this deal we can significantly accelerate our mobile commerce efforts," said Samsung global innovation center executive vice president David Eun.

"We are excited to take our relationship with LoopPay to the next level, by bringing consumers a mobile wallet solution that is not just safe and reliable, but also widely accepted at more locations than any competing service."

LoopPay founders Will Graylin and George Wallner will join Samsung's mobile division, according to mobile team president JK Shin.

Apple has boasted that banks, shops and other businesses are embracing Apple Pay technology that lets new-generation iPhones be used as secure digital wallets.

Apple, which uses a different wireless technology for its iPhone payment system, has said use of its [mobile wallet](#) is growing. But the market has remained fragmented with other players.

Samsung is expected to unveil a new flagship smartphone powered by

Google Android software at Mobile World Congress taking place in Barcelona the first week of March.

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