

Ericsson and Telia collaborate to speed up Internet shopping

- New, safer payment method for electronic shopping

Ericsson and Telia have started a co-operation regarding e-commerce with the purpose of driving the development through offering buyers and sellers new and better opportunities to easily and securely trade on the Internet. Telia has bought a new payment system from Ericsson, based on the technique Jalda™, which will be integrated with Telia's new payment service, Telia Pay IT™, during the fall. Telia is the first operator that offers a secure way of paying over the Internet.

Jalda™ is a new, open payment method, developed by Ericsson and EHPT in order to be able to handle payments and digital services via the Internet. With the help of Telia Pay IT™ and Jalda™, consumers will be able to shop more quickly, easily and safely on the Internet.

The deal between Ericsson and Telia realizes the start of a co-operation in the area of electronic shopping and has great significance for both Swedish and international Internet shopping. The aim is to give shoppers and traders better opportunities for easy and safe Internet shopping.

“During the last couple of years at Telia, we have worked to find a payment system that in a safe and easy way allows the handling of Internet transactions. Jalda™ was the payment method that satisfied our needs,” says Mikael Gunnarsson, manager for Business Development at Telia Financial Services.

“Thanks to Telia's decision to base their payment service on Jalda™, the consumer will have more freedom and control of Internet shopping,” says Stefan Persson, responsible for the Jalda™ deal with Telia at Ericsson Sweden AB. “Jalda™ also allows for session-based payments, for example, for IP-telephony, computer games and music.”

The major part of the debate surrounding Internet payment has, up until now, been about different ways of sending credit card details over the Web. Jalda™ works instead by using a trusted third party, in this case Telia, to handle relations between shoppers and retailers in an easy and cost-effective way.

“Many people are understandably unwilling to divulge their credit card details over the Internet, and there is a great need for a simpler payment system giving customers better control over their purchasing,” says Steinar Tveit, Managing Director of Ericsson Sweden AB. “The deal between Ericsson and Telia is an important breakthrough for both Swedish and international Internet shopping markets.”

As an operator, Telia already has established relations with many consumers and can therefore offer an excellent customer base for those content providers wishing to sell over the Internet. The service favors both consumers and traders.

“We have begun a market co-operation with Ericsson and EHPT around the launch and marketing of Telia Pay IT™ and Jalda™. Together we make a strong team, both in Sweden and in other markets,” says Håkan Rossberg, responsible for Telia Pay IT™ within Telia. “It is when all the parts of a shopping-process – the location, payment, and delivery of products – take place in real-time on the Net, that we really see new business opportunities on the Internet.”

Both Telia and Ericsson are convinced that the market for Internet shopping will grow appreciably with the new opportunities to pay for and handle digital services.

Ericsson is the leading provider in the new telecoms world, with communications solutions that combine telecom and datacom technologies with freedom of mobility for the user. With more than 100,000 employees in 140 countries, Ericsson simplifies communications for its customers – network operators, service providers, enterprises and consumers – the world over.

Please visit Ericsson's Press Room at: <http://www.ericsson.com/pressroom>

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Background on Jalda™

Jalda™ is an open and global payment method, produced by Ericsson, but today owned and developed by EHPT, a company jointly owned by Ericsson and Hewlett Packard. Jalda™ makes payments possible from a PC, mobile phone or any unit with Internet connection. The system is capable of handling sums from fractions of a cent up to large amounts of money. Jalda™ is an account-based system, which means that both consumers and retailers are connected to a special account. The system administers all transactions for both parties. Security builds on digital certificates for authentication, and SSL encrypting. Read more at <http://www.jalda.com>

Background on Telia PayIT™

Telia PayIT™ is a new, secure and easy way to pay for services on the Internet. The consumer does not need to divulge account numbers or other information of a sensitive nature and the retailer avoids paper invoices and distribution costs as all deliveries are made digitally. Read more at <http://www.telia.se/payit>

Background on Telia

Telia is the leading supplier of telecom-based information services in the Nordic countries and in the Baltic Sea area. Telia is represented internationally through its own presence and through partners. Sales in 1998 were SEK 51.24 billion and the number of employees was 30,600. Visit Telia at <http://www.telia.se>