



# *"Biometrics and Retail"*

*Reducing Fraud; Increasing Convenience*

# Transaction Assurance



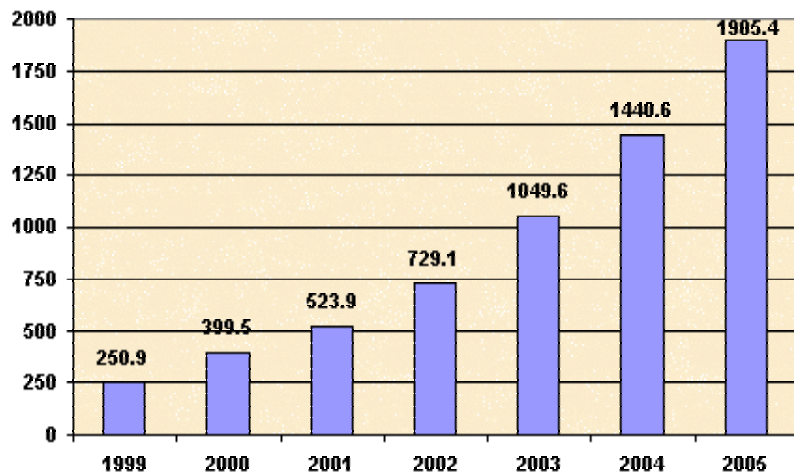
Biometrics are the most sure method of confirming that a *purchaser is authorized*

- Verification of identity
  - Match to an identity on a card or token
  - Match to an identity in a database
- Non-repudiation
  - The transaction cannot be denied
- Fraud / Theft Prevention
  - A card number can be copied, but a person cannot
  - A stolen card is not valid without a matching biometric
- ***On-line commerce***

# Biometric Technology Growth Trend



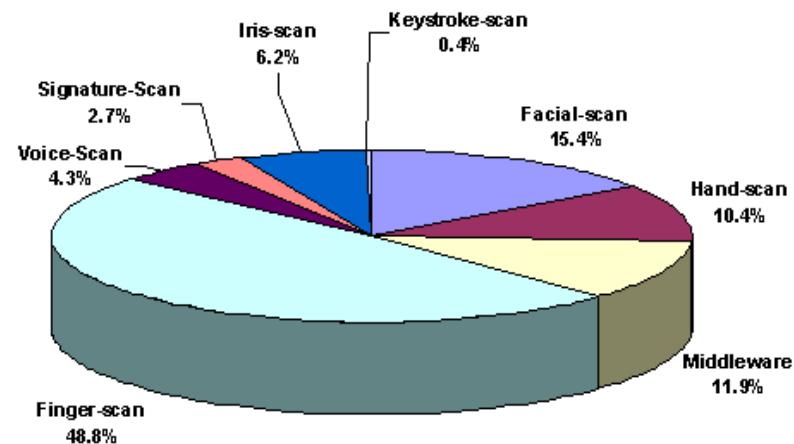
Total Biometric Revenues 1999-2005 (\$m)



- Total biometric revenues, including law enforcement and large-scale public sector usage, are expected to grow rapidly through 2005

2001 Comparative Market Share By Technology

(Does not include AFIS Revenues)



- 49% of market is held by fingerprint identification technology – most accepted form of biometric identification

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# Consumer Convenience



- Tokenless payment – only where and when you choose
  - Databases supporting a flexible set of rules allow for custom multiple uses of the same account
  - Different family members could have different “permissions” for the same store
- Loyalty Programs
  - Retailers can create flexible loyalty programs, with sharing of “points” and incentives among the stores that you choose
- Privacy is in the consumer’s control
  - Decisions about what to disclose to whom are made by the consumer
- Self-Service for faster transactions, with security

# Business Advantage

- Competitive advantage through greater consumer choice
- Reduced losses to fraud
- Opportunities to leverage partnerships:
  - Retailer – retailer
  - Retailer – bank
- Faster, easier transactions – higher volume
- “Self-service is better than poor service”

# Point of Sale Biometrics Standards



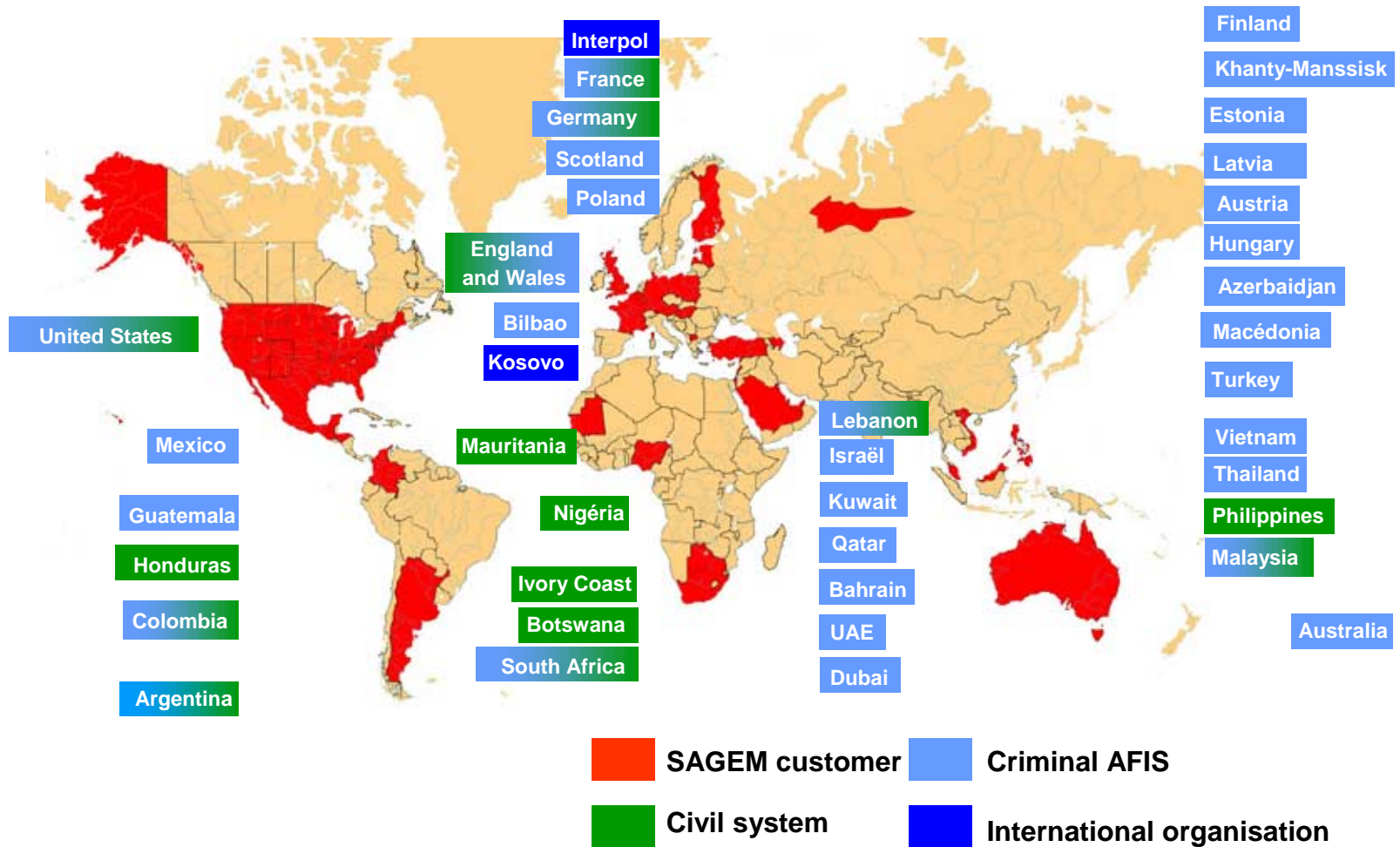
- The INCITS M1 committee for biometrics standards is developing an Application Profile standard for Point of Sale Biometric Verification / Identification
- This standard will specify methods of use, data formats, enrollment procedures, security, communications and other factors
- Other ANSI and ISO biometrics standards will be used
- The objectives are interoperability and assurance
  - For more information, see [http://www.incits.org/tc\\_home/m1.htm](http://www.incits.org/tc_home/m1.htm)

# About SAGEM Morpho



- SAGEM Morpho, a proven provider of mission-critical biometric solutions and services, develops, manufactures and integrates biometric technologies, products and services into government and business processes.
- SAGEM Morpho applies twenty years of global experience in fingerprint identification to deliver trusted biometric solutions to meet customer needs in government and commercial sectors.

# Customer Reach



# Customer Database Requirements



■ North America	Database	■ Africa	Database
Arizona DPS	1,300,000	South Africa	2,000,000
Cleveland PD	200,000	Botswana	1,200,000
Colorado BI	1,500,000	Mauritania	1,500,000
Columbus PD	230,000	Ivory Coast	15,000,000
El Paso PD	220,000	Nigeria	60,000,000
FBI AFIS	35,000,000	■ Middle East and Asia	
Hawaii CJDC	300,000	Kuwait	2,500,000
Maryland DPS	400,000	Malaysia	25,000,000
Mexico Federal	1,500,000	Philippines	33,000,000
Missouri HP	1,500,000	Vietnam	3,000,000
New York DCJS	6,000,000	Australia	2,500,000
Oklahoma City PD	250,000	Israel	600,000
Pierce County / Tacoma	250,000	■ Europe	
Wisconsin DOJ	910,000	France	150,000
New York State	1,800,000	France MOI	650,000
Texas State	2,000,000	Germany	3,600,000
Arizona State	800,000	Latvia	520,000
■ Latin America		Poland	1,000,000
Honduras	4,000,000	Germany	500,000
Colombia	25,000,000	Kosovo	1,400,000
Argentina	2,000,000	UK	400,000



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