



# Fuji Bank gets ready for a new era in e-business.

Recognizing that the Internet is altering the nature of business, Fuji Bank is changing the scope of banking by becoming the first bank worldwide to offer debit card transactions over the Internet. Based on products which implement the SET Secure Electronic Transaction™ protocol, the Fuji Cyber Bank Service enables security-rich, direct payments from customer bank accounts for online purchases. Developed by Visa

*“In addition to being one of the most advanced and reliable vendors in e-business, IBM provides well-integrated solutions that are both cost-effective and provide a foundation for future growth.”*

—Satoru Sakauchi, Manager of Fuji Bank’s Multimedia Business Division

International and MasterCard International, along with technology providers such as IBM, the SET™ protocol provides security for Internet transactions. Additionally, the IBM Consumer Wallet software provides the added convenience of eliminating the need for consumers to constantly retype billing and credit card information.

The Cyber Bank Service was launched in October 1998. From that modest beginning, more than 100,000 Fuji Bank customers in Japan and throughout the world are expected to use the innovative service — called “e-debit” — in 2000.

“By effectively using emerging technology, we can both deliver new value-added services for our customers and gain a step on our competitors,” says Satoru Sakauchi, manager of Fuji Bank’s multimedia business division.

<b>Application</b>	Bank debit service that facilitates online transactions
<b>Business Benefits</b>	Capture a niche market; 100,000 consumers are expected to use e-debit service
<b>Software</b>	IBM® Net.Commerce IBM Payment Suite™ IBM Consumer Wallet™ IBM Payment Gateway™* IBM Payment Registry™ IBM DB2®
<b>Hardware</b>	IBM RS/6000®
<b>Services</b>	IBM Global Services



*Using Fuji Bank’s e-debit service, consumers can purchase items from online merchants and pay directly from their bank accounts.*

"It also provides a firm foundation for staking out a profitable area in cyberspace for Fuji Bank."

### Banking on IBM

The heart of Fuji Cyber Bank service is its "e-debit" capabilities, which the bank developed in close cooperation with IBM Global Services. The capability relies on the IBM Payment Suite software, which helps safeguard payments and purchases over the Internet. Using both high-level encryption and electronic authentication, the IBM Payment Suite software performs checks to help identify everyone involved in an online transaction. The software also helps manage the entire transaction among customers, retailers and their banks when-ever goods are purchased online.

IBM Payment Suite software includes IBM Consumer Wallet, software compliant with the SET protocol that allows consumers to place and manage Internet purchases; IBM Payment Registry, software compliant with the SET protocol that lets banks issue digital identities to merchants and consumers; and IBM Payment Gateway, a payment processing application that allows financial institutions to make the appropriate transaction within credit card or other accounts.

Fuji Bank is also using DB2-powered IBM Net.Commerce, merchant server software that lets organizations easily set up electronic storefronts. All the systems run on an IBM RS/6000 server, which is optimized for e-business, with the ability to handle large numbers of transactions with security and the scalability to handle the growing demand far into the future. The entire system also integrates well with Fuji Bank's existing IBM host systems.

"Fuji Bank selected IBM because its offerings provide a balanced combination of security, performance, manageability and scalability," says Sakauchi. "In addition to being one of the most advanced and reliable vendors in e-business, IBM provides well-integrated

solutions that are both cost-effective and provide a foundation for future growth."

### On the cutting edge of e-business

Working closely with Fuji Bank, IBM helped enable PIN-based debit card transactions, which are being discussed with SET Secure Electronic Transaction LLC, the organization that administers the SET protocol, for possible inclusion in the SET protocol. Sakauchi notes that the SET authentication mechanism could also be extended for such other financial services as EDI, electronic money and electronic checking.

During the initial roll-out among bank employees, Fuji Bank partnered with Dai Nippon Printing, Fuji Sankei Group, PeopleWorld and other leading companies to test and implement e-debit. These firms have cyber malls online, and their mall "tenants" can add the e-debit capabilities without any further investment. About 50 individual stores, including Takashimaya, one of Japan's largest department stores, are also currently involved in the project. By the end of March 1999, Fuji Bank expects about 100 stores to accept e-debit transactions.

Fuji Bank now hopes to substantially expand its Cyber Bank Service among consumers and merchants to take advantage of a global electronic commerce market expected to exceed \$150 billion by 2000. Consumers will benefit from knowing that all their online transactions are safeguarded using encryption and digital certificates, while businesses can gain increased sales through additional online commerce.

"Fuji Bank and IBM are trailblazing new paths in cyberspace, working together to make shopping online more secure and as easy as possible," concludes Sakauchi. "With the SET protocol and the debit card extension as well as the strengths of the IBM e-commerce products, Fuji Bank is well positioned to take advantage of the growing benefits of e-business."

### For more information, please contact your

IBM marketing representative or IBM Business Partner.

Visit us at:

[www.ibm.com/e-business](http://www.ibm.com/e-business)

For more information on Fuji Bank, visit:

[www.fujibank.co.jp](http://www.fujibank.co.jp)



©International Business Machines Corporation 1999

IBM Corporation  
Internet Division  
Route 100  
Somers, New York 10589

1-99  
All Rights Reserved

DB2, the e-business logo, IBM, IBM Consumer Wallet, IBM Payment Gateway, IBM Payment Registry, IBM Payment Suite and RS/6000 are trademarks of International Business Machines Corporation in the United States and/or other countries.

SET Secure Electronic Transaction, SET and the SET logo are trademarks owned by SET Secure Electronic Transaction LLC.

Other company, product and service names may be trademarks or service marks of others.

This case study illustrates how one customer uses IBM products. Many factors have contributed to the results and benefits described. IBM does not guarantee comparable results. All information contained herein was provided by the featured customer and IBM Business Partners. IBM does not attest to its accuracy.

References in this case study to IBM products or services do not imply that IBM intends to make them available in all countries in which IBM operates.

\*Please note that this product is based on the SET protocol and enrolled in the SET compliance testing process, but as of the date this material was prepared, has not been designated compliant with the SET specification by SET Secure Electronic Transaction LLC.



Printed in the United States on recycled paper containing 10% recovered post-consumer fiber.



G325-1320-00