

# 2007 EPRG Contactless ● ● ● ● Forum

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**May 21, 2007**

**ROUNDTABLE DISCUSSION**



FEDERAL RESERVE  
BANK OF BOSTON™



**EMERGING PAYMENTS**  
RESEARCH GROUP



# ***Sea Change in Payment Public Transport***

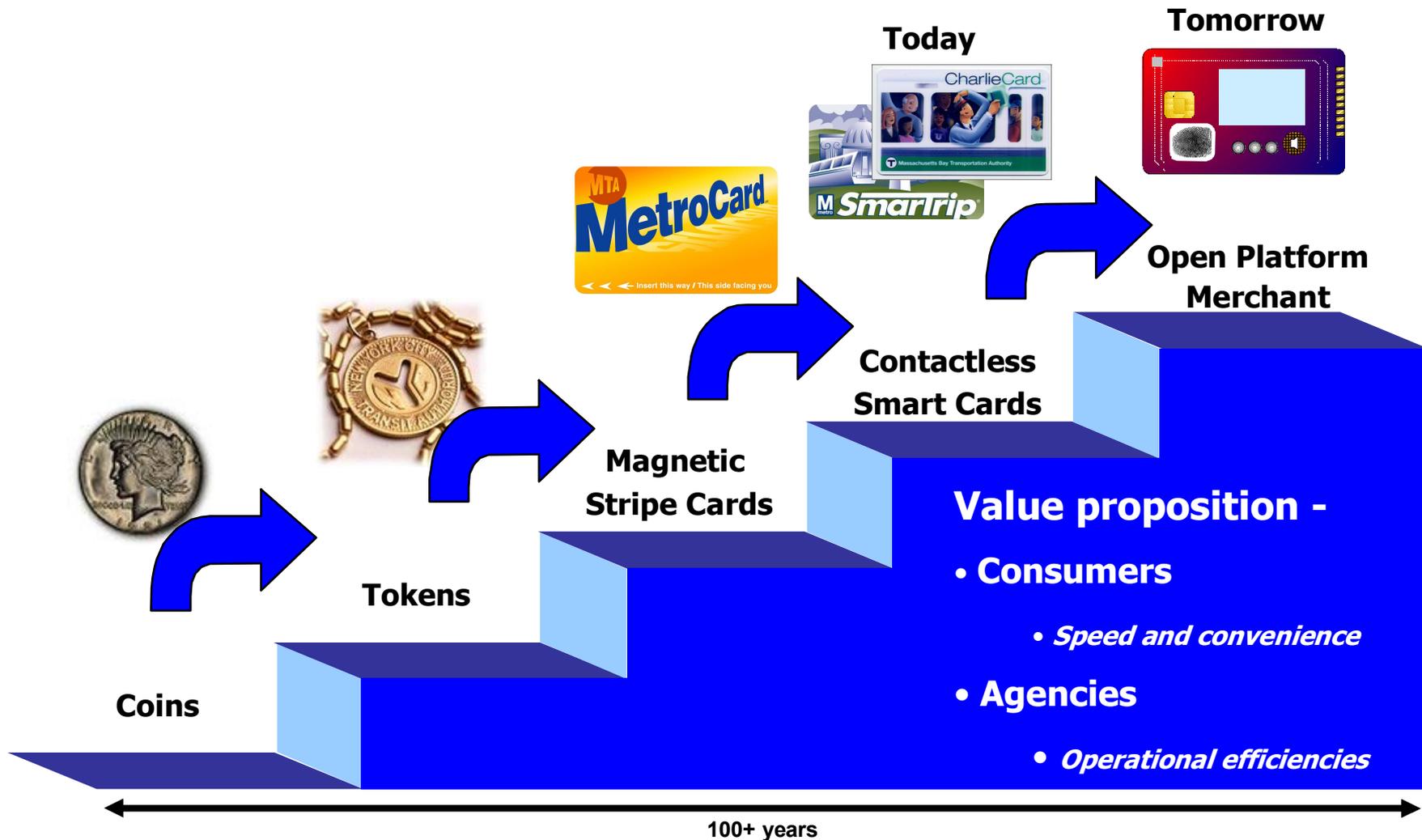
## ***The First Step***

***Contactless Forum***  
**Federal Reserve Bank of Boston**

**May 21, 2007**  
**Boston**



## Evolution of transit fare payment in US...





## *Programmatic goals...*

### **Long term goal**

- Become a “retailer” for transportation services
- Become a “merchant” accepting payments in many forms

### **Value for customer**

- Convenience of multi-function card
- Reduces perceived cost of transit trips
- Alternative methods of payment accepted; flexibility



### **Value for agencies**

- Increase ridership through convenience
- Cost savings merchant, not card issuer
- Process electronic transactions; cost savings over cash

*Change payment paradigm for public transit*



## *Characteristics of demonstration with Citi...*

Developed and approved May 2004; launched November 2004

Single card for payment of transit fares and parking fees

- Credit capability for retail transactions

Up to 20,000 cards issued

- Current and acquired accounts

Pilot runs up to 30 months

Shared responsibilities between Citi and WMATA

- Pre-deployment activities
- Customer service and marketing

Same functionality as current SmarTrip card; branded

*Use the same card for ALL payments...*



