



CECA helps safeguard online payments with IBM Payment Suite.

Only two years ago, most people viewed the prospect of making payments over the Internet with more than a little trepidation – tales of Internet burglary and fraud, no doubt, fueled their distrust. Today, the numbers tell a different story. According to industry estimates, nearly \$4 billion will be spent worldwide through online transactions this year.

“Everything needed for a system that implements the SET protocol is included in the IBM Payment Suite. Now, we’re well prepared for e-commerce.”

– Jose Manuel Lucena, Distributed Systems Manager, Confederacion Española de Cajas de Ahorro

to enable secure Internet payments. CECA has now implemented the SET Secure Electronic Transaction™ protocol – which uses advanced security technology that allows card holders to make encrypted payments to merchants on the Internet – in its existing payment system. The CECA solution also consists of the IBM Payment Suite applications – including IBM Payment Gateway, IBM Payment Server and IBM Consumer Wallet – enabling it to offer a complete, security-rich environment.

Says CECA Distributed Systems Manager Jose Manuel Lucena, “Whether it’s Internet shopping or banking, customers need to

In Spain, the Confederacion Española de Cajas de Ahorro (CECA) – an association of 50 savings banks – is making rapid strides in establishing an infrastructure

Application	Security-rich Internet payments for banking and retail
Business Benefits	Increased Internet trade; 75% savings in online payment processing; improved customer service
Software	IBM® Payment Suite™ IBM Payment Gateway™* IBM Payment Server™* IBM Consumer Wallet™ IBM DB2® Universal Database™
Hardware	IBM RS/6000®



CECA provides a secure online banking system with IBM Payment Suite.



have confidence that their private information will not fall into unauthorized hands. With the IBM Payment Suite we offer our banks' customers uncompromising security."

By year end, 12 affiliate banks will use CECA's services for the SET™ protocol. Lucena recalls that just two years ago, only some savings banks, no more than five, elected to offer Internet banking services to their customers. He notes, "Today, 32 savings banks provide this service and many others plan to do so soon." This is because Internet banking is proving much more cost effective than traditional methods. Explains Lucena, "A conventional over-the-counter transaction costs banks \$2 to process, while an Internet transaction can cost them as little as 50 cents – a saving of 75 percent." As more customers make purchases and bank online, Lucena expects the savings to add up and eventually be passed on to customers. In addition, since SET transactions are treated as face-to-face interactions rather than card-not-present transactions, the fee charged to banks and merchants on these are lower. Says Lucena, "Both banks and their customers will benefit from a cost-effective, security-rich payment system such as the one we've developed with IBM Payment Suite."

On a secure path

For customers, merchants and banks to participate in a SET transaction, digital certificates are issued by an authorized agency, which, in Spain, is ACE. "A digital certificate is a unique electronic identification issued to each customer," explains Lucena. IBM Consumer Wallet, a Web browser helper application for the management of payment cards and digital certificates, provides the interface on the merchant's Web site, prompting customers for their ID and password before opening the payment window to make a purchase.

Internet payment requests received from a merchant server are routed to CECA's back-end payments system by IBM Payment Gateway, which acts as the intermediary between Web-based merchants and financial institutions. IBM Payment Gateway translates these messages into formats recognized by the existing payment processing system, such as ISO 8583. IBM Payment Server, a key component of CECA's solution, is used to authenticate the identification offered by IBM Consumer Wallet, and approval is communicated to the bank and the merchant for payment processing. All the software runs on an IBM RS/6000 F40 server, with IBM DB2 Universal Database as the underlying data repository.

Integrated solution

Because other banks and merchants have disparate Web solutions, interoperability with multiple vendor products was a key need for CECA. "IBM Payment Suite is compatible with popular old and new protocols as well as products from other vendors," Lucena notes. "Without this we cannot convince businesses, who need to protect their investments, to adopt SET transactions."

Lucena points out that not only does IBM offer a comprehensive product suite, but it also has the most experience in implementing e-commerce solutions – CECA earlier deployed IBM Net.Commerce, residing on an IBM Netfinity® server, to host the Web sites of two member banks. "For the payment project, we evaluated the offerings from another vendor, but IBM's technology and experience were much more convincing," he says. "Everything needed for a system that implements the SET protocol is included in the IBM Payment Suite. This makes it an easy-to-integrate solution. Now, we're well prepared for e-commerce."

**For more information,
please contact your
IBM marketing representative or
IBM Business Partner.**

Visit us at:
www.ibm.com/e-business

For more information on CECA, visit:
www.ceca.es



© International Business Machines Corporation 1999

IBM Corporation
Internet Division
Route 100
Somers, New York 10589

Produced in the United States of America
1-99
All Rights Reserved

DB2, DB2 Universal Database, the e-business logo, e-business Mark, IBM, IBM Consumer Wallet, IBM Payment Gateway, IBM Payment Server, IBM Payment Suite, Netfinity and RS/6000 are trademarks of International Business machines Corporation in the United States and/or other countries.

SET Secure Electronic Transaction, Secure Electronic Transaction and SET are trademarks and service marks owned by SET Secure Electronic Transaction LLC.

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

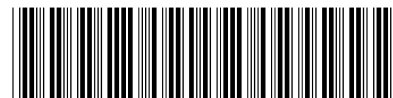
This case study illustrates how one customer uses IBM products. Many factors have contributed to the results and benefits described. IBM does not guarantee comparable results. All information contained herein was provided by the featured customer and IBM Business Partners. IBM does not attest to its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

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



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

*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, it has not been designated compliant with the SET Secure Electronic Transaction LLC.



G325-1321-00