

# EUROSMART

The Voice of the Smart Security Industry

## PRESS RELEASE

Brussels, 3 May 2011

### **Eurosmart General Assembly confirms the Industry ambitions**

**This year the General Assembly of Eurosmart confirms the dynamism of the Smart security Industry with positive market figures, new members and ambitious 2011 plan.**

#### ***A newly elected Bureau***

The Eurosmart General Assembly, gathering on 3 May 2011 in Brussels, has unanimously elected a new Bureau:

- Marc Bertin (Oberthur Technologies) is reelected as Chairman for a third mandate,
- Oyvind Rastad (Gemalto) is reelected as Vice-Chairman for a second mandate,
- Dr. Jochen Schöllmann (Giesecke & Devrient) is newly elected as Vice-Chairman,
- Dr. Helmut Gassel (Infineon Technologies) is reelected as Treasurer for a fourth mandate

Bruno Dupont as Secretary General is also part of the Bureau but with no voting right.

#### ***Priorities for the coming years***

Eurosmart Chairman underlined 2010 key achievements to promote the Smart Security Industry and delivered a vision for future developments. Among the priorities for 2011, the General Assembly decided to strengthen the work made by the new **Task Force on Biometrics** and to **develop further Eurosmart vision on the Internet of Things**;

For further details, the Eurosmart 2010-2011 Activity Report is available on [www.eurosmart.com](http://www.eurosmart.com)

#### ***New members joining our Association***

The General Assembly was the opportunity to welcome 6 new members:

- As Executive Members
  - o **LFoundry**, a European specialist for foundry services and joint technology, covering the whole chain of the industry, from advanced research to manufacturing ;
  - o **Electronic Marin**, a subsidiary for the Swatch Group, active in semiconductors since 1970, more specifically in the field of Smart Cards ;
- As Active Member
  - o **Prooftag**, a French company specialized in the securization of official documents and products using proprietary chaotic elements now referred as manufactured biometrics ;
- As Associated Member
  - o **Fraunhofer Institute** (Institute for Secure Information Technology (SIT), Europe's largest application-oriented research organization;
- As Individual Members
  - o **Bernard Morvant**, independent consultant, expert in smart secure transaction solutions ;
  - o **Jonas Andersson**, working on smart cards as ID documents and the use of biometrics.

### **Strong volume growth momentum in 2010 and a positive start in 2011**

At the General Assembly, Eurosmart has increased the final figure for shipments in Telecom market segment in 2010 to **4.2 billion**; thereby bringing the total shipment of microcontroller based Smart Secure Devices to above **5.5 billion in 2010**. While it is still early days to make a final forecast for 2011, we feel confident that **the 6 billion bar** will be crossed. All the segments show double digit volume growth again this year (see the tables below).

Analysis of major growth drivers:

#### **Telecom**

- Despite even higher deliveries than anticipated in 2010, Eurosmart still expects around 10% SIM shipments growth in 2011 due to the continued strong growth in India, Indonesia, China and Brazil
- The global trend for mobile financial services increases the need for security, and demand for higher end products
- M2M generates great interest, especially in the automotive and smart metering verticals

#### **Banking-Retail**

- Worldwide EMV migration continues to sustain strong growth, in particular in Latin America and Asia
- Security needs fuel the global migration to DDA
- Strong dual interface (contact & contactless) cards growth. NFC development will participate to this trend.

#### **Government ID-Healthcare**

- Increasing deployment of eID cards and the European Resident Permit
- Developing countries benefit from eID for welfare management, census and voting

#### **Contactless**

- Strong dynamism of NFC in 2011, with multiple commercial deployments happening worldwide. Eurosmart will update its market forecast for 2011 in September.
- Growth of dual interface (contact & contactless) is higher than pure contactless.
- American contactless cards issuers are reviewing their future product roadmap linked to the ongoing EMV migration discussion.

### **Worldwide Smart Secure Device shipment - 2010 and 2011 forecasts**

<b>Millions of Units (Mu)</b>	<b>2010 global</b>	<b>2011 forecast</b>	<b>2011 vs 2010 % growth</b>
<b>Telecoms</b>	<b>4 200</b>	<b>4 600</b>	<b>10%</b>
<b>Financial services – Retail – Loyalty</b>	<b>880</b>	<b>1 010</b>	<b>15%</b>
<b>Government – Healthcare</b>	<b>190</b>	<b>225</b>	<b>18%</b>
<b>Transport</b>	<b>65</b>	<b>80</b>	<b>23%</b>
<b>Pay TV</b>	<b>110</b>	<b>125</b>	<b>14%</b>
<b>Others (including corporate ID)</b>	<b>75</b>	<b>80</b>	<b>7%</b>
<b>TOTAL</b>	<b>5 520</b>	<b>6 120</b>	<b>11%</b>

## Secure Contactless market figures – 2010 and 2011 forecasts<sup>1</sup>

Millions of Units (Mu)	2010 global	2011 forecast	2011 vs 2010 %growth
Telecom	0	15	-
Financial services	175	225	29%
Government – Healthcare	100	125	25%
Transport	65	80	23%
Others	30	30	0%
<b>TOTAL</b>	<b>370</b>	<b>475</b>	<b>28%</b>

### What is Eurosmart?

*Eurosmart is an international non-profit association located in Brussels and representing the Smart Security Industry for multi-sector applications. Founded in 1995, the association is committed to expanding the world's Smart Secure Devices market, developing Smart Security standards and continuously improving quality and security applications.*

*Members are manufacturers of smart cards, semiconductors, terminals, equipment for smart cards system integrators, application developers and issuers who work into dedicated working groups (communication, marketing, security, electronic identity, new form factors, and prospect emerging markets).*

*Members are largely involved in political and technical initiatives as well as research and development projects at the European and international levels.*

*Eurosmart is acknowledged as representing “the Voice of the Smart Security Industry”.*

*Eurosmart members are companies (Austriacard, Electronic Marin, FNMT-RCM, Gemalto, Giesecke & Devrient, Infineon Technologies, Inside Secure, LFoundry, Morpho, NedCard, NXP Semiconductors, Oberthur Technologies, Prooftag, Renesas Electronics, Samsung, STMicroelectronics, Toshiba), payment systems (GIE Cartes Bancaires, MasterCard), laboratories (CEA-LETI), research organisations (Fraunhofer Institute), associations (Smart Payment Association, Mobismart, Danish Biometrics) and independent experts (Michel Koenig, Bernard Morvant, Jonas Andersson).*

For more information, please visit [www.eurosmart.com](http://www.eurosmart.com)

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<sup>1</sup> Eurosmart forecasts include Felica