

TECHNOLOGY

## Chicago Transit Building Fare System to Accept Mobile Payments

BY WILL HERNANDEZ

**A**s major U.S. cities with complex transportation systems explore converting to an electronic fare-collection structure that would accept open-loop contactless cards, mobile payments are becoming a factor in future planning.

“Most people believe that mobile is a large part of the [transit] environment in the future,” says Dave Lapczynski, senior vice president of services for Cubic Transportation Systems Inc. “It seems to be just a matter of time before mobile is ubiquitous enough to make it a realistic medium for mass transit systems.”

Chicago is headed down that path. The city’s transportation authority on Nov. 15 approved a 12-year contract with Cubic to install an open fare-collection system.

Eric Reese, general manager of business development for the Chicago Transit Authority, says the agency expects to explore how to enhance the mobile experience for its riders.

“There are a number of possibilities that come with the rollout, such as [mobile] apps on phones that provide [service] information, arrival times, and the ability to purchase and reload the [prepaid] card

on an app,” Reese says.

Commuters who do not have a contactless card from their bank would be able to purchase a transit authority contactless prepaid card, Reese says. The Visa-branded card would be available for purchase at some 2,000 locations.

The organization will continue to analyze mobile options once more near field communication-enabled phones are available in Chicago, Reese says.

The system will accept NFC mobile payments from the start, Lapczynski adds.

The authority expects to activate the system in late 2012 or early 2013, it noted in a press release regarding the announcement.

Cubic expects to adhere to that timeframe, Lapczynski says.

“The use of the new media would start months before [an official rollout] with pilots and go through a transition to get people from using the old cards to the new cards,” he adds.

The system now supports a magnetic stripe card, a closed-loop contactless card and cash. The authority will still accept cash on bus routes.■