

Financial Firms Give Mobile Banking a Boost

U.S. customers are late adopters, but stronger security may increase use

BY MATT HAMBLÉN

New deals announced last week might give mobile banking the kick in the pants it needs to become as popular in the U.S. as it is in Europe and Asia.

In the fourth quarter, Wachovia Corp. plans to launch a third-party mobile banking application for AT&T Inc. wireless customers, a Wachovia spokesman said last week, after AT&T announced that it had activated a mobile banking system for BancorpSouth Inc.

Wachovia, which has 15 million residential and business customers, already launched its own custom mobile service, Wachovia Mobile, last September. The service works on any wireless network, said Wachovia spokesman Matthew Wadley.

Built by Firethorn Holdings LLC, Wachovia's new application will be simpler to use than Wachovia Mobile and will support bill payment, which isn't possible with the existing application, Wadley added.

Atlanta-based Firethorn launched its mobile banking application last week with Tupelo, Miss.-based BancorpSouth. Other banking firms that are planning to use Firethorn's mobile system include Richmond, Va.-based SunTrust Banks Inc. and Birmingham, Ala.-based Regions Financial Corp.

With \$707 billion in assets, Charlotte, N.C.-based Wachovia is by far the largest of the U.S. banks that have announced a mobile service that uses Firethorn and AT&T technologies.

Wadley said Wachovia has been interested in mobile banking for a long time and has adapted its Wachovia Mobile application to allow access by more devices. That application has up to 12,000 users per day, although there were 250,000 unique user sessions

in its first month of service. "We did that without any marketing," Wadley said.

Still, adoption of mobile banking services has been slow in the U.S. over the past decade, said independent analyst Jeff Kagan.

Security Hurdle

Americans' traditional concerns over network security could be one reason for that, speculated Wadley.

Kagan pointed out that some users will take a slow approach because of security worries, using mobile services with accounts that have just a few hundred dollars at first.

But Kagan added that "all banks and carriers will follow during the next few

months and years."

AT&T spokesman Mark Siegel said the Firethorn application requires a password and will send only encrypted data over the air.

"We went into this thinking security would be a big concern, so we were ready," said Michael Lindsey, senior vice president and manager of alternative delivery services at BancorpSouth. To address such worries, the bank set up the system so that a user — or the bank's call center or AT&T — can disable the application if he loses his device.

Also, customer account information is not stored on the device, but rather in the bank's secure servers, which can be accessed from the device only by entering a username and a six-digit personal identification number, Lindsey said.

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gun using the BancorpSouth service as of its first day last week, and many of the bank's 160,000 online banking customers are expected to use it, Lindsey said.

About half of the bank's residential customers use online banking, which the bank first offered in 1994 as a PC dial-up system and improved access to later, he added.

At Wachovia, the security available on Wachovia Mobile

and the new AT&T system will offer the same level of protection that users receive while banking from desktop computers, Wadley said. "You will not be compromised using a mobile device," he said.

The bill payment functionality available on Wachovia's AT&T/Firethorn offering will give the new service an advantage over the Wachovia Mobile application, but Wadley said it's likely that a bill payment feature will eventually be added to Wachovia Mobile as well.

Wadley said he expects the AT&T application to be made available free, since Wachovia doesn't charge customers for its existing Wachovia Mobile service.

AT&T won't charge customers for use of the mobile banking application, but it will collect airtime charges while the application is used, Siegel explained. ▀

Wikipedia Founder Rejects His 'Ignore All Rules' Mantra in New Online Project

BY HEATHER HAVENSTEIN

Larry Sanger's answer to his former firm, Wikimedia Foundation Inc., is a new online encyclopedia called *Citizendium*, which was launched last week.

Sanger, *Citizendium's* editor in chief and a co-founder of Wikipedia, talked about how the new offering differs from Wikipedia and why he decided to abandon the "ignore all rules" philosophy he championed there, in an interview with Computerworld last week.

Did you create Citizendium to wipe out Wikipedia? It is very, very unlikely that our existence will lead to Wikipedia's demise. Wikipedia already has enormous momentum and an enormous group of people who really like the policies they have in place. As long as they stay within the law and within the guides of good ethical prac-

tice, I am all in favor of their continuing to grow and thrive.

Why did you ditch the "ignore all rules" philosophy you championed at Wikipedia? I am the

author of the "ignore all rules" rule on Wikipedia. Some months after I humorously proposed that, I rejected it because other people were taking it seriously. The intent behind the rule initially was that people should not worry about getting formatting right and getting every single

detail of policy under their belts before they started contributing.

It's OK if you don't bold the subject of the article. Someone else will fix it, and you will learn simply by being corrected. That is all I meant by "ignore all rules." I certainly didn't mean that you can behave like a jerk and no one will care.



What does Citizendium offer that you can't get with Wikipedia?

The world needs something in addition to Wikipedia. The world needs a better, more reliable free encyclopedia. There is little chance that Wikipedia is going to change the policies that I think are responsible for its lack of authoritativeness.

A lot of people — and I don't mean just experts — have contributed to Wikipedia and come away with a bad taste in their mouth. The problem is that their work tends to be dismissed, and they are often treated disrespectfully. There really needs to be a place that is more inclusive. Wikipedia, by being open to all sorts of abusive and anonymous people, actually makes itself closed to people who don't want to work in that kind of atmosphere.

What are some of Citizendium's important policies and processes?

We want to have processes in place that allow us to quickly

and easily rein in bad behavior. For example, not too long ago, there was one professional contributor who took another professional contributor to task, saying that a certain article was simply bad work. One of our constables came along and erased the comment and put in a message to the effect of we have a policy of professional behavior and then linked to the policy page. If someone is obnoxious to other contributors, we will remove them, and [we] have done that already.

The most important other policy would be the real-names policy. We require all contributors to use their own real names. I think the fact that we require people to use their real names has had a beneficial effect on the level of civility in the project, and it also increases the credibility of the results.

Who has volunteered so far to work with Citizendium? We have distinguished tenured professors on down to very bright teenagers. It is a diverse bunch, and that is how we like it. ▀

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