

# SIEMENS

November 11, 1998

Ms. Magalie Roman Salas  
Office of the Secretary  
Federal Communications Commission  
The Portals, TW-A325  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

Re: RM-9375

Dear Ms. Salas:

We have been informed about the proposal of the National Council for Information Technology Standardization Technical Committee to change Section 15.225 of the FCC Rules to facilitate the operation of short-range devices in the 13.56 +/- 0.007 MHz band and would like to give you our point of view.

We are a worldwide leader in the smart card market. In the contactless area we develop and sell our contactless smart card ICs in Europe, Asia, North America and to other countries all over the world.

We expect within the next years a major increase of contactless smart card applications worldwide and especially in the United States. Contactless ICs are used in very different segments beside the smart card market such as product identification, automobile and transportation industry.

A significant market can build up only if a common worldwide compatibility of the different standards is reached. Our contactless smart cards use the 13.56 MHz frequency for power supply and data transfer. All our products operate in regards to the field strength according to international standards, especially according to EN 300 330 in the final stage of ETSI.

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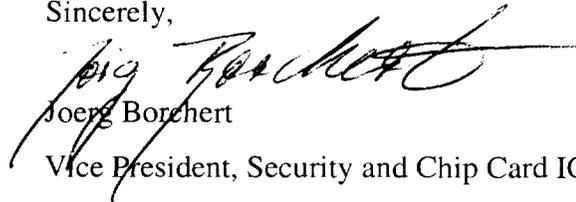
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In order to make existing systems compliant to the FCC regulations the energy field would have to be reduced which has a direct impact to the communication distance. Today our smart cards have an operating distance of up to 10 cm, however after the system changes the distance would be decreased to approximately 3 cm.

Contactless smart cards have been accepted in the market due to the convenience in daily processes. Customers find this solution very user friendly and time saving because they don't have to deal with the problems of putting the card in the right way into the reader. The contactless card provides an easy way of presenting the card to the reader device in an acceptable distance. The restrictions from the FCC regulations would take this convenience factor away and slow down any kind of controlled access, public transportation, etc. Herein we see a major impact for the deployment of applications based on contactless ICs in the future, which may even totally stop the market. We are especially concerned about the worldwide projects such as airline ticketing, mileage programs, express parcels, luggage control and many others.

Bringing the U.S. regulations governing operations at 13.56 +/- 0.007 MHz in compatibility to the European standard would help all companies represented in the worldwide market to develop globally compatible RF systems, therefore we strongly support the proposal of the National Council for Technology Standardization Technical Committee to amend Section 15.225 of the FCC Rules to facilitate the operation of short-range devices in the 13.56 +/- 0.007 MHz band.

Sincerely,



Joerg Borchert

Vice President, Security and Chip Card ICs

Siemens Microelectronics, Inc.

3050 Democracy Way, MS-500

Santa Clara, CA 95054

cc: Mr. Joseph A. Naujokas and Dr. Joseph VJ Ravenis II