

## French mobile groups to take on PayPal

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Published: February 4 2011 00:55 | Last updated: February 4 2011 00:55

France's three big mobile phone operators are to create the first French online payments service and a competitor to [Ebay's PayPal](#) and [Google's Checkout](#).

French customers of [Orange](#), Bouygues Telecom and SFR will be able to pay for goods over the web from the middle of the year via the new service, Buyster, by linking a mobile phone number to a bank card. "We want to become the leader in mobile distance payments and number two in fixed internet in France," Eric Gontier, chief executive of Buyster, told French newspaper Les Echos.

The move underscores France's efforts to develop homegrown internet services and for French telecoms to profit from [e-commerce and mobile payments](#). It also marks the latest attempt by [mobile operators to reclaim ground in the internet services market](#) from companies such as Google, Apple and the PayPal service.

"Near-field communication" technology, which allows people to ["wave and pay"](#) using their phone simply by touching the device against an in-store reader, is expected to be built into the next Apple iPhone and is already in the latest Google Android device.

Analysts say that Apple's huge database of credit card details from its iTunes and App Store services could make it a major player in payments via phone – without needing any help from operators, who hope to leverage their billing relationships with customers.

Orange estimates that the service will be available to more than 50m customers.

The formation of Buyster was "excellent news", according to one of France's leading online retailers.

"One of the most important services for our customers is to be able to make simple, quick and secure payments from their personal computer but also increasingly from their cell phone," said Gauthier Picquart, chief executive of Rueducommerce.com, which sells clothes, electric and homeware goods.

Other retailers who will offer Buyster include Brandalley, the fashion site.

Buyster was set up with [Atos Origin](#), the computer services group. The service will operate in France although it could be expanded in Europe through a licence agreement, said Laurent Bailly, head of marketing at Buyster. However, some doubt that the model could compete outside the French market.

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