

Apple buys startup to turn iPhones into payment terminals

August 3 2020, by Mark Gurman



Credit: CC0 Public Domain

Apple Inc. has acquired Mobeewave Inc., a startup with technology that could transform iPhones into mobile payment terminals, according to people familiar with the matter.

Mobeewave's technology lets shoppers tap their [credit card](#) or smartphone on another phone to process a payment. The system works with an app and doesn't require hardware beyond a Near Field Communications, or NFC, chip, which iPhones have included since 2014.

The Cupertino, California-based technology giant paid about \$100 million for the startup, one of the people said. Mobeewave had dozens of employees, and Apple has retained the team, which continues to work out of Montreal, according to the people familiar. They asked not to be identified discussing a private transaction.

"Apple buys smaller technology companies from time to time and we generally do not discuss our purpose or plans," an Apple spokesman said.

Apple typically buys startups to turn their technology into features of its products. Apple added Apple Pay to the iPhone in 2014, allowing users to pay for physical goods with a tap in retail stores. Last year, it launched its own credit card, the Apple Card. Integrating Mobeewave could let anyone with an iPhone accept payments without additional hardware.

This would put Apple into more direct competition with Square Inc., a leading provider of payment hardware and software for smartphones and tablets.

On its website, Mobeewave shows a demonstration of a user typing in a transaction amount and then a customer tapping their credit card on the phone to process the [payment](#) on the device.

Samsung Electronics Co. partnered with Mobeewave last year to allow its phones to use the technology. Samsung's venture arm is also an investor in the startup, which has raised more than \$20 million,

according to PitchBook.

The deal would be one of several for Apple this year. It recently acquired weather app Dark Sky and virtual-reality content broadcasting company NextVR. Other purchases include Voysis, Xnor.ai and Inductiv to improve Siri and [artificial intelligence](#), and FleetSmith for enterprise device management.

©2020 Bloomberg News

Distributed by Tribune Content Agency, LLC.

Citation: Apple buys startup to turn iPhones into payment terminals (2020, August 3) retrieved 4 December 2023 from <https://techxplore.com/news/2020-08-apple-startup-iphones-payment-terminals.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.