



Identity Fraud and Small Businesses – and Trust

Steve Cox

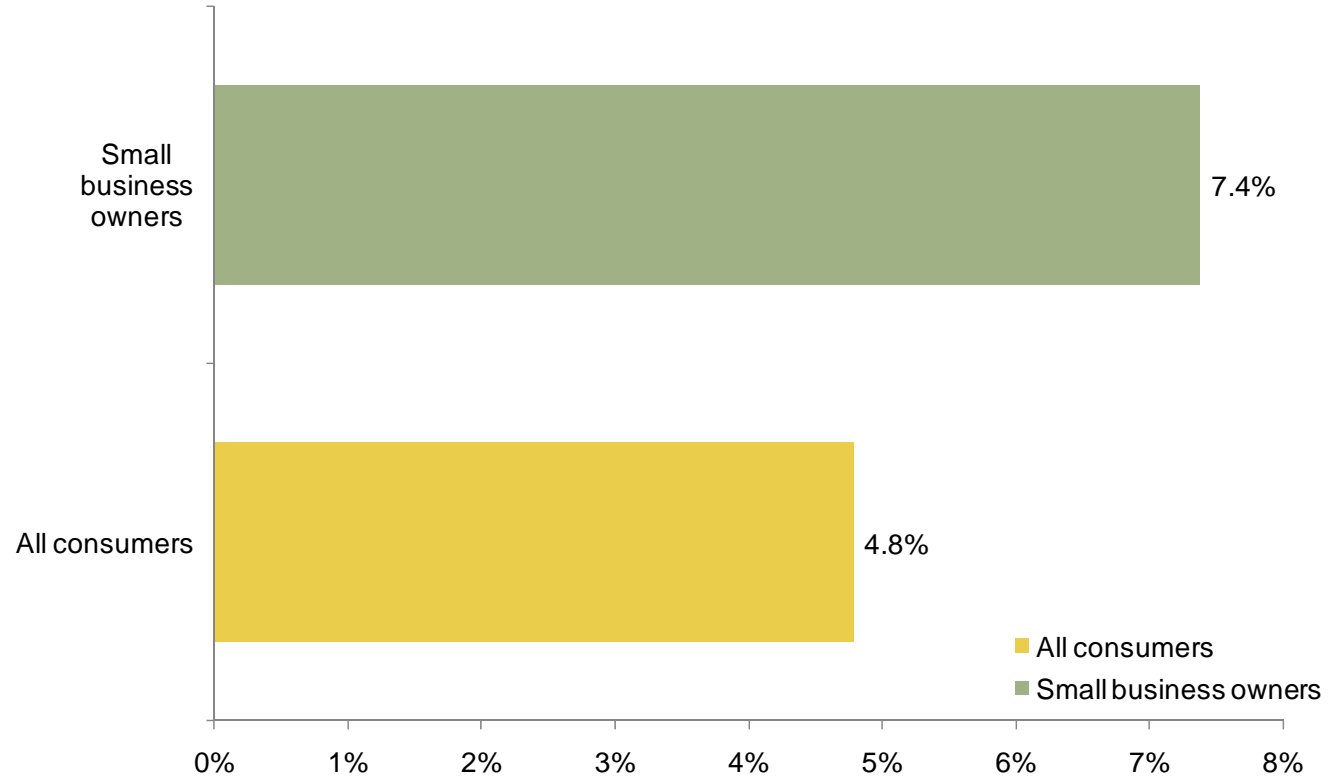
Chief Executive Officer

Council of Better Business Bureaus

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Victims of Fraud



Q3: Have you, yourself, ever been a victim of identity theft?
Q4: How long ago did you discover that your personal or financial information had been misused?

November 2009, n=5,000, 800
Base: All consumers, small business owners.
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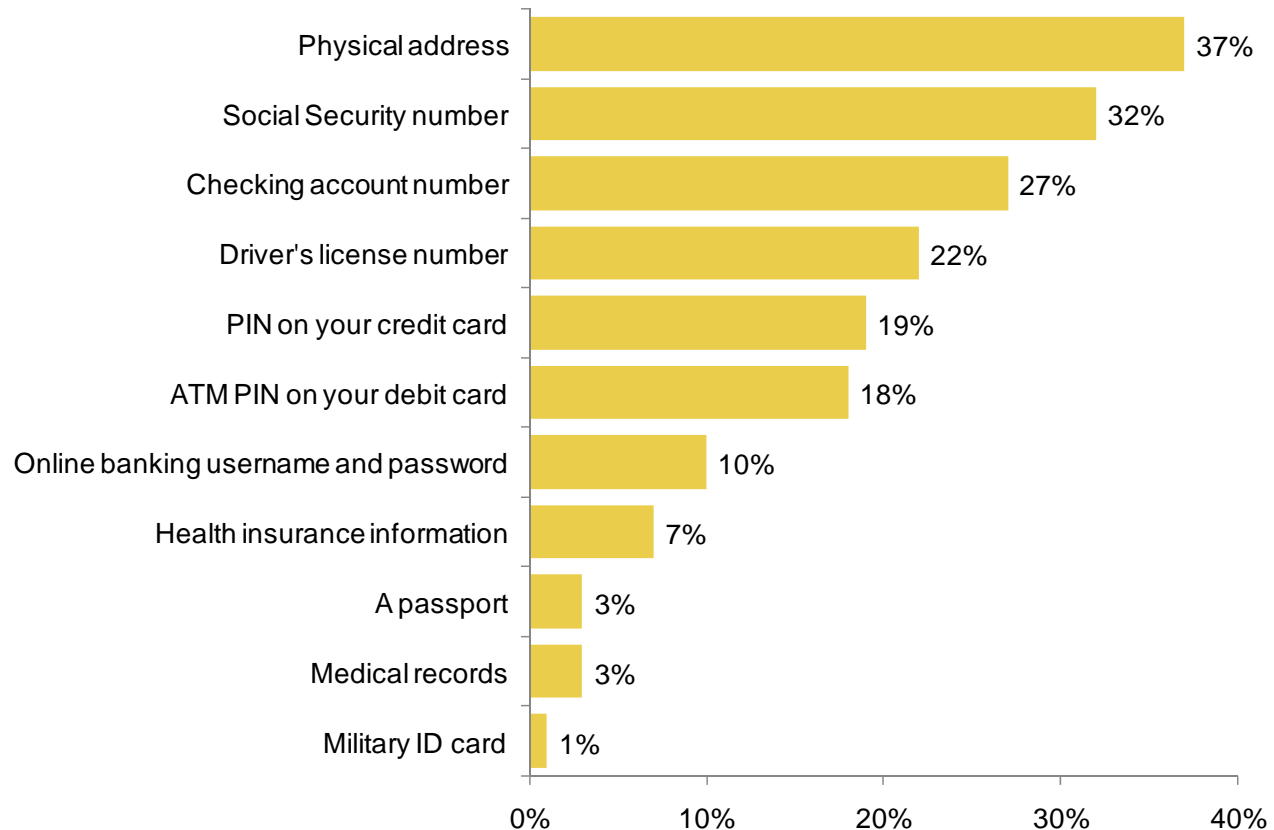
Costs of Fraud

	Mean fraud amount	Mean consumer cost	Mean resolution time (hours)	Detection time (days)	Length of misuse (days)
Self-employed or small business owners	\$4,627	\$445	24	56	72
All consumers	\$4,240	\$373	21	59	84

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Business Breaches of Personal Information

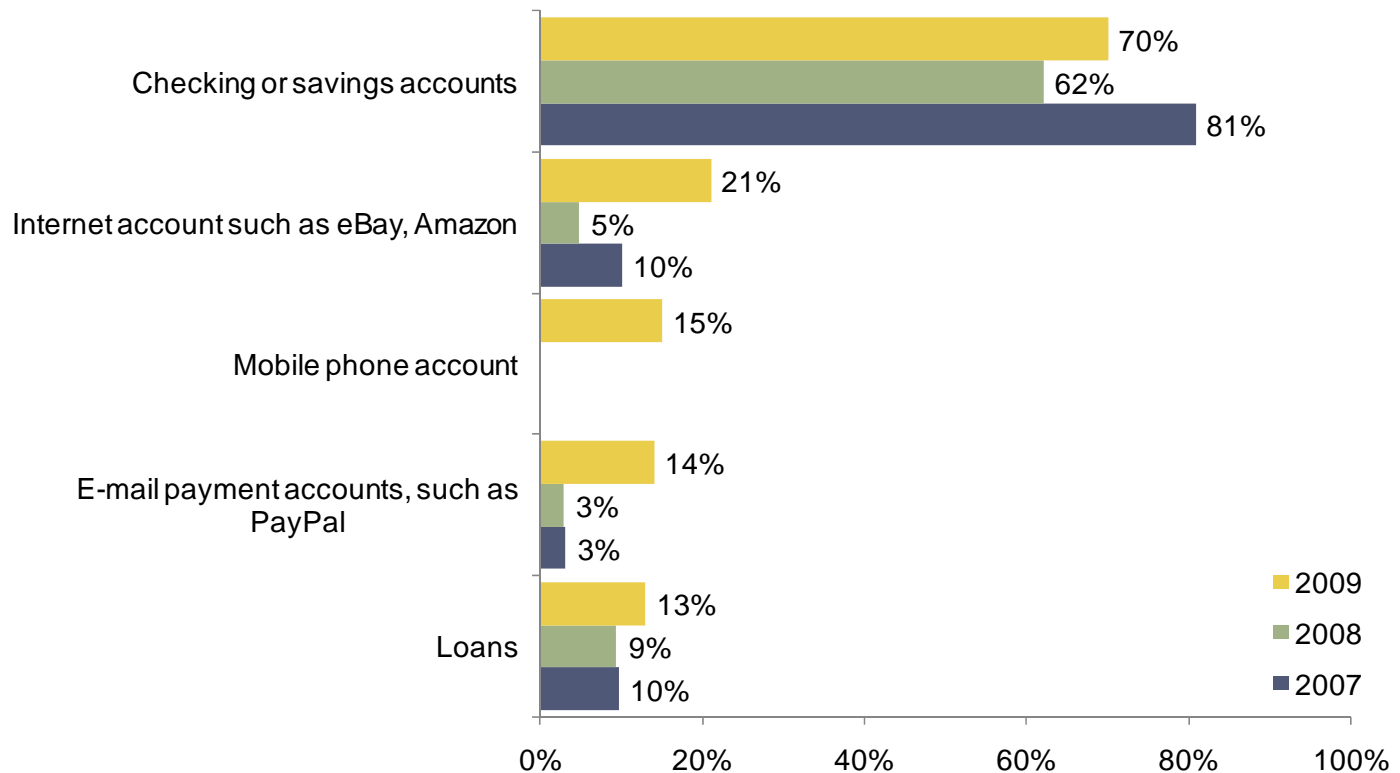


Q12: Which documents or pieces of information were stolen?

November 2009, n= 393
Base: All fraud respondents.
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Internet-Related Theft Surges



Q14: Which existing accounts did the person use your information to run up charges or commit fraud to?

November 2009, 2008, 2007,
n = 174/5,000, 104/4,784, 112/5,075
Base: All fraud victims who know how their information was used.
Note: Mobile accounts was not asked in 2007 and 2008
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Health-Care Fraud: an Emerging Threat

How was your information misused?	Length of misuse	Detection time	Compromise to misuse	Fraud amount	Consumer cost	Resolution hours
"obtained health care"	320 days	142 days	76 days	\$12,100	\$2,228	34
Average of all crimes	81 days	56 days	63 days	\$4,841	\$373	22



How Can Small Businesses Protect Data?

Data Security Guide

Intro to Small Businesses

- > 1. Securing Sensitive Data
- > 2. Monitoring & Transmitting Financial Data
- > 3. Becoming 'PCI Compliant'
- > 4. Disposing of Data
- > 5. Data Security and Your Customers
- > 6. Spotting Identity Theft
- > 7. What To Do If Consumer Data Is Stolen
- > 8. Global Enterprises Data Security Issues
- > 9. Responding to Third Party Data Requests
- > 10. Common Technical and Legal Terms
- > 11. About Our Topic Experts

Data Security — Made Simpler

[Intro to Small Businesses](#)

Handling Data

1. Securing Sensitive Data
2. Monitoring & Transmitting Financial Data
3. Becoming 'PCI Compliant'
4. Disposing of Data

[Start Here »](#)



Customer Relations

1. Data Security and Your Customers
2. Spotting Identity Theft
3. What To Do If Consumer Data Is Stolen

[Start Here »](#)



Data Community

1. Global Enterprises Data Security Issues
2. Responding to Third Party Data Requests
3. Common Technical and Legal Terms
4. About Our Topic Experts

[Start Here »](#)



Start With Trust[®]



Securing Sensitive Data

Start with the Basics

“ ...30 percent of security violations come from inside the organization ... ”



Source: 2009 Open Security Foundation report



Monitoring & Transmitting Financial Data

Cyber criminals collaborate aggressively by selling wares and developing expertise in specific tactics.

- Initiate a “dual control” payment process
- Have dedicated workstations
- Use authentication methods and vendors
- Update virus and security protections
- Reconcile accounts daily

Source: 2009 Cisco Mid-Year Security Report.



Become PCI Compliant



Only **28%** of US
small
businesses
have a formal
Internet
security policy

Source: 2009 National Small Business Study, National Cyber Security Alliance & Symantec.



Disposing of Data



- Paper Records
- Electronic Records
- Hiring a Vendor



Communicating Your Data Security Program



- Information to Share
- Information NOT to Share



Prevention, Detection & Resolution



Only **35%** of small businesses provide training to employees about Internet safety and security

Source: 2009 National Small Business Study, National Cyber Security Alliance & Symantec.

About **85%** of data breaches occur at the small business level

Source: Visa



Why Is Data Security So Important?

One Word ...

