COST OF A DATA BREACH

Can You Afford $6.65 Million?

Companies that are reluctant to invest what it takes on data security better be prepared to pony up a lot more if their systems are ever breached.

In 2008 the average total cost of a data breach was $6.65 million, up from $6.35 million last year and $4.54 in 2005.

In 2008, the per-victim cost of a data breach was $202, up from $197 in 2007, and from $138 when the study was launched in 2005.

Breaches that were the result of a lost of stolen laptop computer bore a per-victim cost of $249.

Ponemon Institute
February 2009

MARKET DRIVER = $ BILLIONS

- 2006 Federal Trade Commission Report
  - Losses due to unauthorized access of computerized data are costing billions of dollars a year
  - Identity theft costs businesses over $50 billion per year.

- A 2007 FBI report
  - Foreign countries are training their intelligence officers in how to hack into US computers

- WSJ December 11, 2007
  - Breaches of corporate computer security have reached epidemic proportions
  - So far this year, more than 270 organizations have lost sensitive information like customer credit-card or employee Social Security numbers -- and those are just the ones that have disclosed such incidents publicly.

- Compuware Study Oct 2008
  - 75% of data breaches in the US are done by people inside the organization.

- Camouflage Software Inc.
  - 70% of data breaches are internal
  - Average cost to an organization per breach is $4.7M

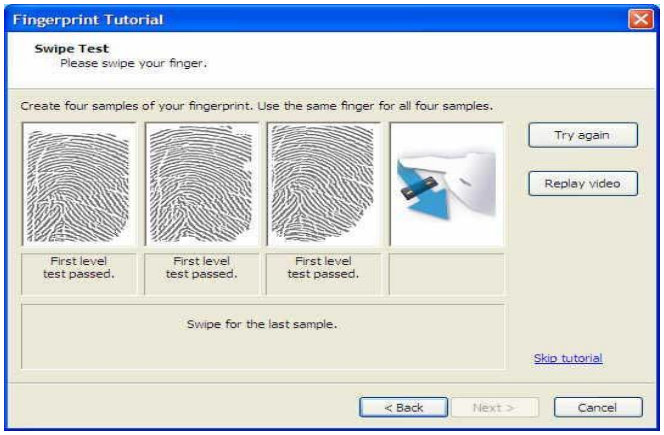
MARKET DRIVER COMPLIANCE

- Health Insurance Portability and Accountability Act (HIPAA)
- Payment Card Industry (PCI) data security standard
- California SB 1386 – Personal Data Privacy
- Canadian Personal Information Protection and Electronic Documents Act (PIPEDA)
- European Union Personal Data Protection Directive
- United States Gramm-Leach-Bliley Act and
- United States Sarbanes-Oxley Act
- Others

All of These Laws Require some form of:

- Limiting access to information based on “Need to Know”
- Audit trails – preferably non refutable
- Protection of information at all times - Encryption

MANAGEMENT BENEFITS FOR THE ENTERPRISE



Audit Trail

All specified transactions are logged so that access to confidential data can be tracked for compliance

Easy to Install and Maintain

Out of the box functionality; centrally enroll and deploy

Administrative Software

Server-hosted, advanced security software provides management control and simplifies deployment and administration

Advanced Compliance

System components meet requirements for NCIC Access

Cost Effective

An affordable solution with additional cost savings from reduced password management