Protect Your Customers –
Secure Your Systems

Thomas Leeb

Director Business Development
**CSP EMEA**

VNUG, Stockholm, Vidbynäs, Sep 30th,2009

- **Based in Toronto, Canada.**
- **NonStop® DSPP Partner since 1987.**
- **Develop, Support and Distribute Security and Audit Solutions for the HP NonStop® Market.**
- **Over 250 Customers and over 1000+ licenses World Wide**
- **Customers include:**
  - **Largest Banks**
  - **Major Stock Exchanges**
  - **Defense and Healthcare organizations**
  - **Telecommunications**
  - **Manufacturers**

Business Partner

hp invent ®

Integrity Ready Partner hp invent ®

» New blade choices for a 24X7 world
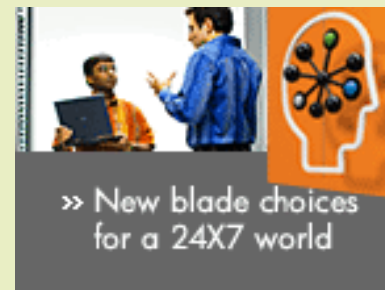
Security on Nonstop - why should you care ?

- **There is at least one data breach per day**
- **Significant consequences**
  - Average costs for a security breach 6.6M$
  - Lost reputation, lost customers
  - Fraudulent activity with direct financial impact
  - Fines for non-compliance, license withdrawals
- **Increasing number of regulations and compliance requirements**
- **Change in responsibility**
- **This is not a question of platform**

One incident of significant impact every day

Latest Incidents

twitter/ DataLossDB

RECORDS	DATE	ORGANIZATIONS
236,000	2009-09-25	University of North Carolina
5,045	2009-09-23	Eastern Kentucky University
31,000	2009-09-23	Kern Medical Center
0	2009-09-23	Socorro County Housing Authority
900	2009-09-22	Cincinnati Metropolitan Housing Authority
2,246	2009-09-22	AlixPartners LLP
1,325	2009-09-21	Rocky Mountain Bank
62	2009-09-18	Akron Children's Hospital
25	2009-09-14	University of Florida, Florida Department of Transportation
0	2009-09-14	Jones General Store

Largest Incidents

RECORDS	DATE	ORGANIZATIONS
130,000,000	2009-01-20	Heartland Payment Systems
94,000,000	2007-01-17	TJX Companies Inc.
90,000,000	1984-06-01	TRW, Sears Roebuck
40,000,000	2005-06-19	CardSystems, Visa, MasterCard, American Express
30,000,000	2004-06-24	America Online
26,500,000	2006-05-22	U.S. Department of Veterans Affairs
25,000,000	2007-11-20	HM Revenue and Customs, TNT
17,000,000	2008-10-06	T-Mobile, Deutsche Telekom
16,000,000	1986-11-01	Canada Revenue Agency
12,500,000	2008-03-26	LaSalle Bank, BNY Mellon Shareowner Services, Archive Systems Inc, The Walt Disney Company, SYNOVUS

Source : DataLossDB.org

Jan, 2007 : TJX – Data breach exposed card data in 4 countries

- „Someone had illegally accessed one of the payment systems"
- 45.6M credit/debit card numbers reported as stolen
- Tier 1 retailer/processor – over 6M tx/mth
- Shoppers in U.S, Puerto Rico, Canada, UK affected
- Intrusion affected systems processing debit and credit card transactions
- Stored data of transactions in 2003 as well as Track-2 data (PAN, exp., PIN) stolen
- All major card brands affected (Visa, Mastercard, Amex, Discover)
- Fraudulent transactions in many countries including overseas
- Intrusion discovered 7 months later (finally clarified 1,5 years later)
- 2008 : group of banks suing the retailer claimed 94M cards were exposed
- May 2009 : breach costs reported in the size of 150M$

Mar, 2008 : Hannaford – Data breach affected millions of shoppers

- Intrusion into computer network of supermarket chain (Maine, US)
- Forced banks to reissue millions of credit and debit cards
- MBA reported 70 of its member banks were contacted by Visa, MC
- Credit & debit card numbers stolen during transmission
- Included data from magnetic stripe
- 4.2M credit / debit card numbers stolen
- Hannaford instructed consumers to check their card statements
- Felt they met and in many cases exceed industry standards on security measures
- Now „committed to take whatever steps may be necessary" to enhance security

Dec 23rd, 2008 - RBS Worldpay
Data breach resulting in ATM heist – 9M$ stolen

- Hackers broke into database to get personal data

- 1.5 M cardholders affected

- Social security numbers of 1.1M individuals may have been accessed

- Information included financial data on payroll cards

- Personal information „may" have been affected

- Feb 6th : coordinated attack on Nov 8th by „cashers" withdrawing 9M$ using counterfeit cards on 130 ATMs, in 49 cities, within 30 minutes

- Hackers able to mess with card limits ? (100 cards)

- FBI spokesman : „People are out there attacking computers every day, but this one is different in scope, timing and coordination of the attack."

Jan 20, 2009 : Heartland – Card processor victim of largest data breach

- Visa, MC alerted about suspicious transaction activity, Heartland found evidence of malicious software compromising data
- Forensic exams has shown multiple instances across their network
- Processing >100M tx/mth for >250k merchants and hundrets of banks
- Included card numbers, exp and Track-2 data
- Dropped from PCI compliance by Visa
- Gartner :
  - „Cybercrooks are increasingly targetting payment processors. Attacking processors much more serious than retailers"
  - „More radical moves required, PCI is clearly not enough"
- Feb 13th : over 440 financial institutes affected in 40 U.S. states, Canada and outside, lawsuits ongoing
- May 2009 : Intrusion occured in May 2008, not detected until Jan

Sep 25, 2009 : UNC – School of Medicine hacked

- Breached server contained information related to a federally funded mammography research project
- 236.000 personal health records affected
- 163.000 SSNs
- Discovered in Jul 2009 – actual intrusion most likely 2 years ago

Study : Costs of a Data Breach

Source : Ponemon Institute

- Ponemon Institute annual studies since 2005

- Pioneers in privacy auditing, privacy risk management

- Founded by Dr. Larry Ponemon :
  - CEO of the Privacy Council
  - Global Managing Partner of Compliance risk management at PWC
  - National Director of Business Ethics services at KPMG

- 2008 study : 43 U.S. companies in 17 different industry sectors

- No hypothesis – real life experience

- Costs reviewed
  - Cost for engaging forensic experts
  - Hotline support
  - Free credit monitoring subscriptions
  - Discounts for future products and services
  - In-house investigation and communication
  - Customer losses and diminished customer acquisition rates
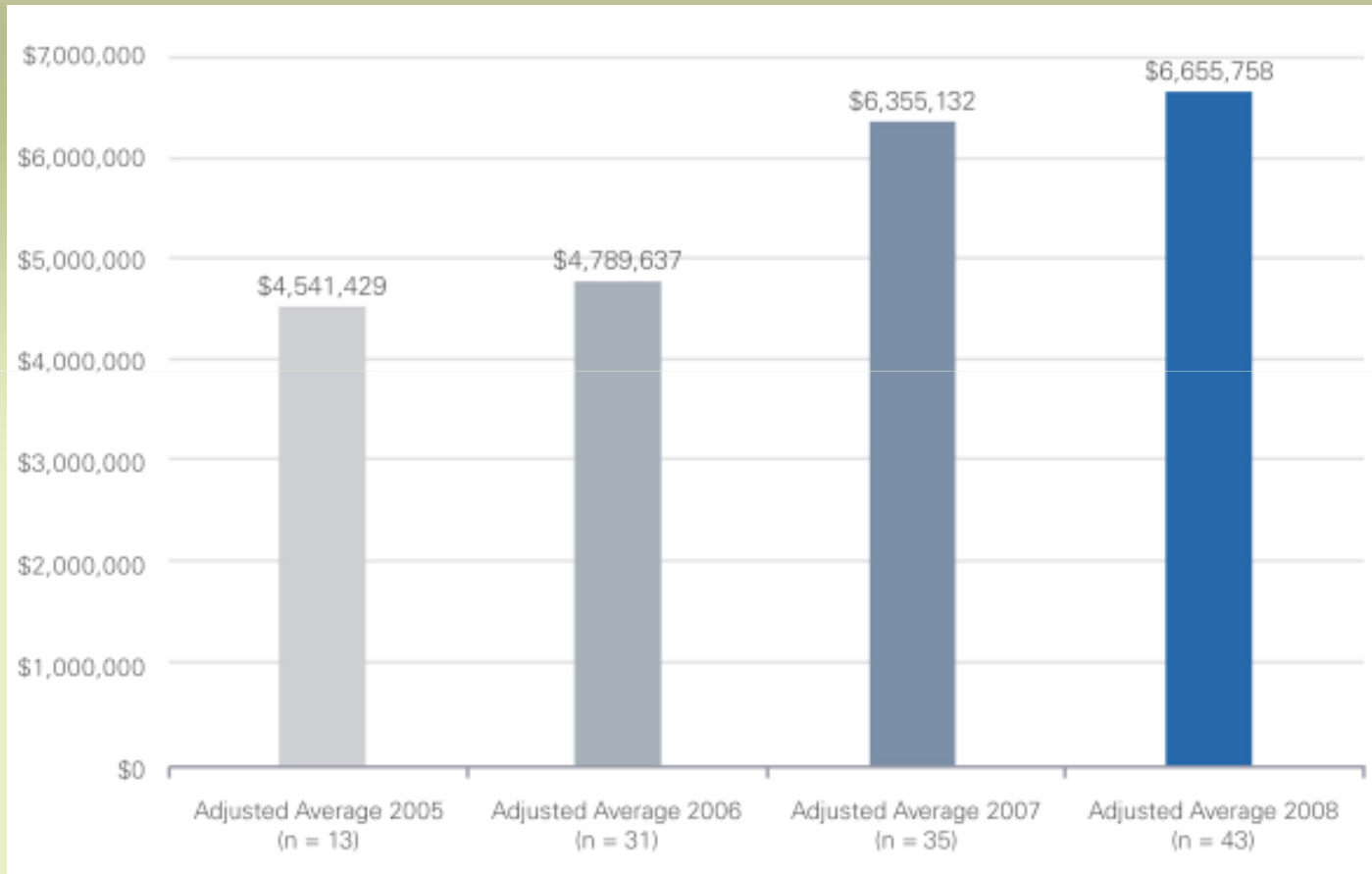
Study 2008 – Companies per Industry
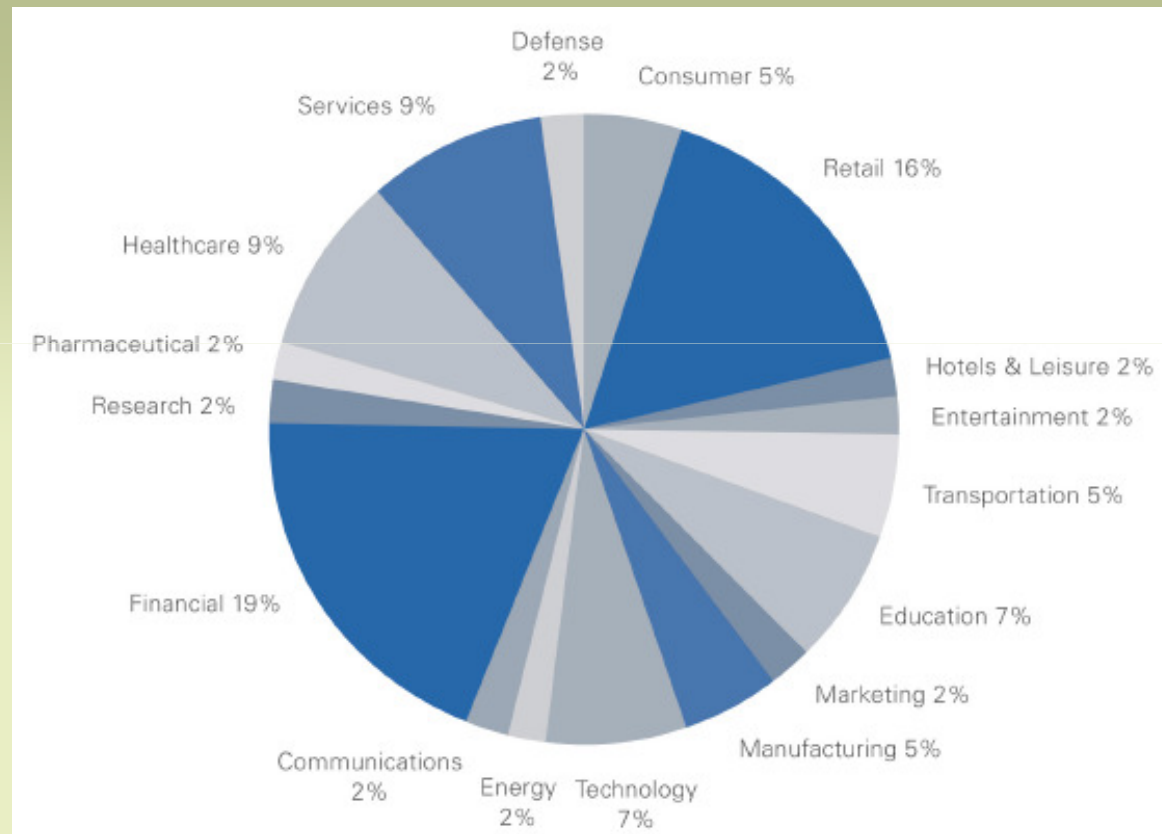
Industry	Frequency
Financial	8
Retail	7
Healthcare	4
Services	4
Education	3
Technology	3
Manufacturing	2
Transportation	2
Consumer	2
Hotels & Leisure	1
Entertainment	1
Marketing	1
Pharmaceutical	1
Communications	1
Research	1
Energy	1
Defense	1

Source : Ponemon Institute

Average cost per case

$7,000,000

$6,655,758

$6,355,132

$6,000,000

$5,000,000

$4,789,637

$4,541,429

$4,000,000

$3,000,000

$2,000,000

$1,000,000

$0

Adjusted Average 2005 (n = 13)   Adjusted Average 2006 (n = 31)   Adjusted Average 2007 (n = 35)   Adjusted Average 2008 (n = 43)

Source : Ponemon Institute

Average per-record cost

Source : Ponemon Institute

Cost Contributors

Source : Ponemon Institute

Churn rates per industry following a data breach

Industry	Churn Rate
Healthcare	6.5%
Financial	5.5%
Energy	5.4%
Communications	5.3%
Services	5.0%
Hotels & Leisure	4.1%
Research	3.7%
Defense	3.7%
Consumer	3.6%
Transportation	2.6%
Technology	2.5%
Education	1.8%
Pharmaceutical	1.7%
Retail	1.5%
Entertainment	1.4%
Manufacturing	0.9%
Marketing	0.8%
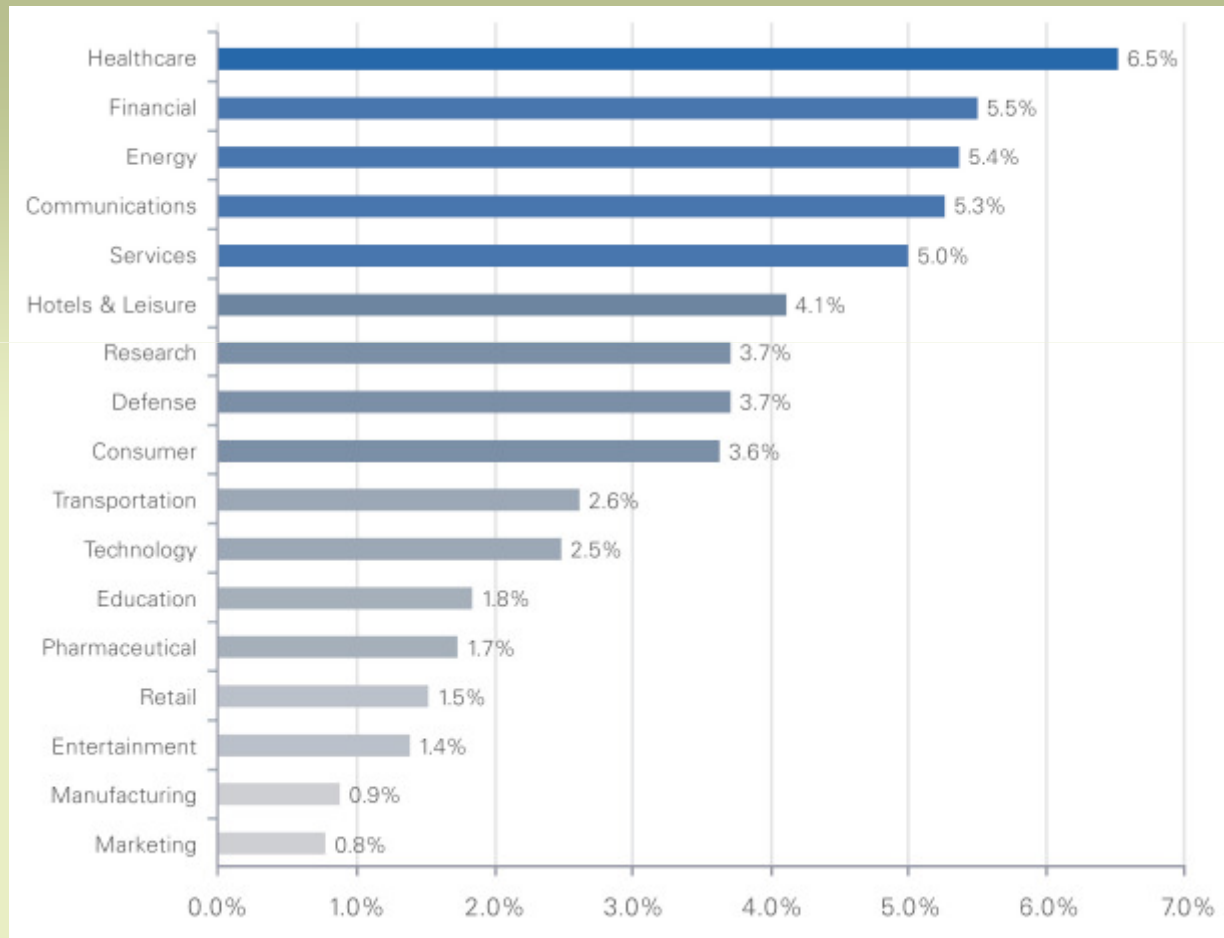
Source : Ponemon Institute

Proportion of breach costs per category

Cost changes over four years	2005	2006	2007	2008	Net change
Investigation & forensics	8%	8%	8%	9%	stable
Audit & consulting services	8%	10%	10%	11%	increase
Outbound contact costs	13%	9%	7%	6%	stable
Inbound contact costs	15%	10%	8%	6%	decrease
Public relations/communications	0%	1%	3%	1%	stable
Legal services - defense	5%	6%	8%	9%	increase
Legal services - compliance	3%	3%	3%	1%	stable
Free or discounted services	4%	2%	1%	2%	stable
Credit monitoring services	3%	3%	2%	2%	stable
Lost business (due to churn)	35%	39%	41%	43%	increase
Customer acquisition cost	6%	8%	9%	9%	stable

Source : Ponemon Institute

Key findings 2008

- Avg costs increased to $202 per record compromised
- Avg. Total cost per reporting company 6.6M$
  (613k$ up to 32M$)
- Cost of lost business carries highest impact
  ($139 per record)
- Healthcare and Financial Services suffer highest customer loss
- Increased customer churn rates drive lost business costs (+38% 2005 to 2008)
- 88% of cases resulting from negligence
- Higher Costs from malicious acts ($225 vs $199)

Product News : Protect UX

- OSS security management

- Browse, copy and paste files in OSS on multiple systems

- Set security ACLs

- Policy model
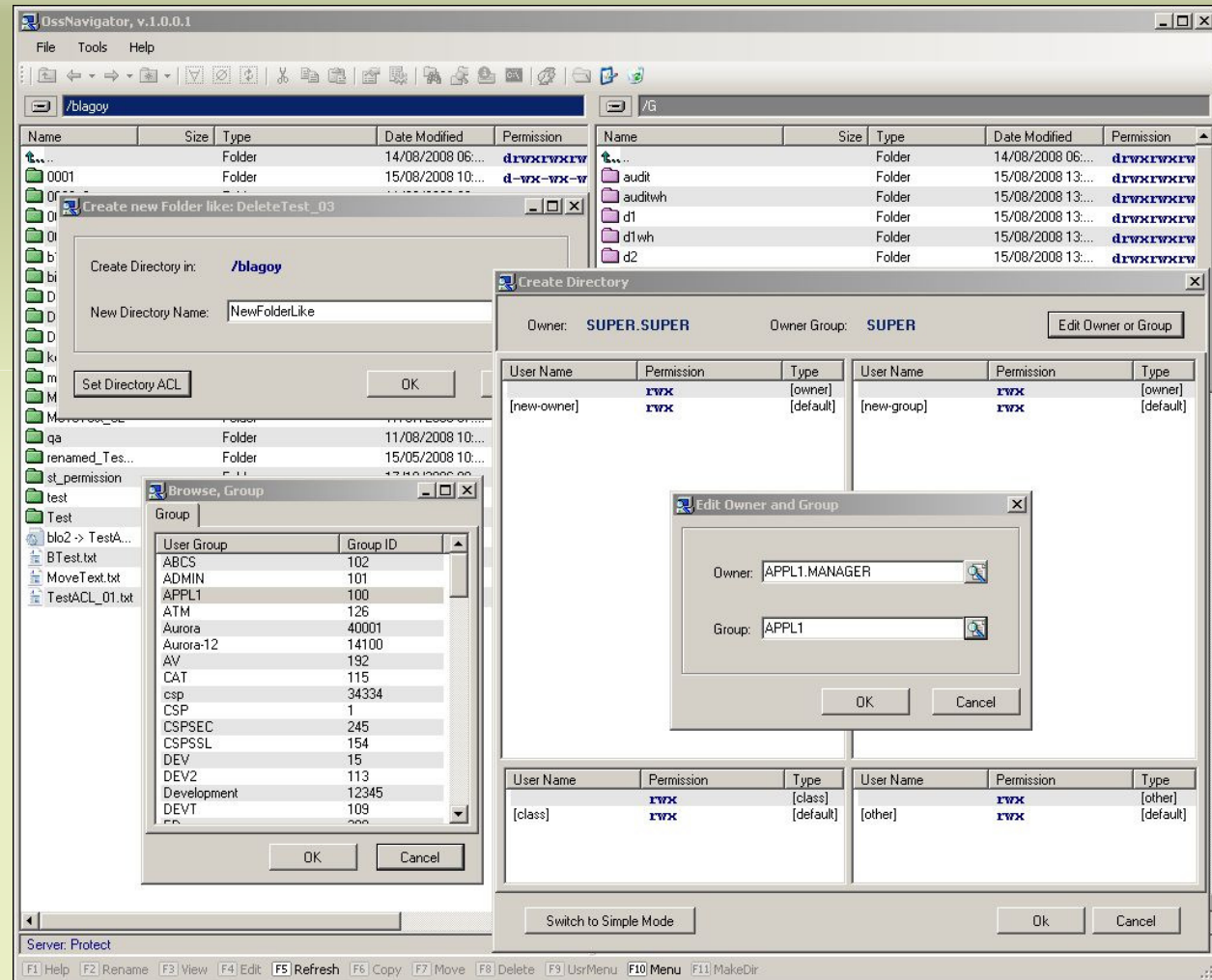
- Multiplatform

- Streamline your IdM process
  - Centralize help desk functions (i.e. password resets)
- Central Management of Nonstop users
- LDAP interface to
  - Protect XP and Safeguard
  - CSP PassPort
- Works with any LDAP client
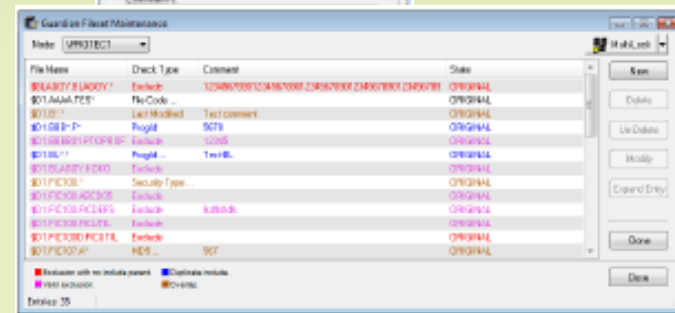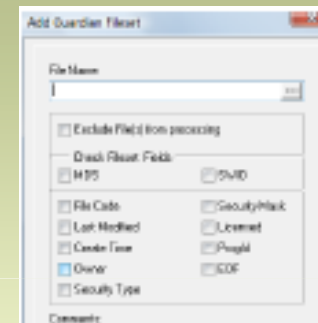 - From Apache to Tivoli
- Supports multiple Nonstop systems
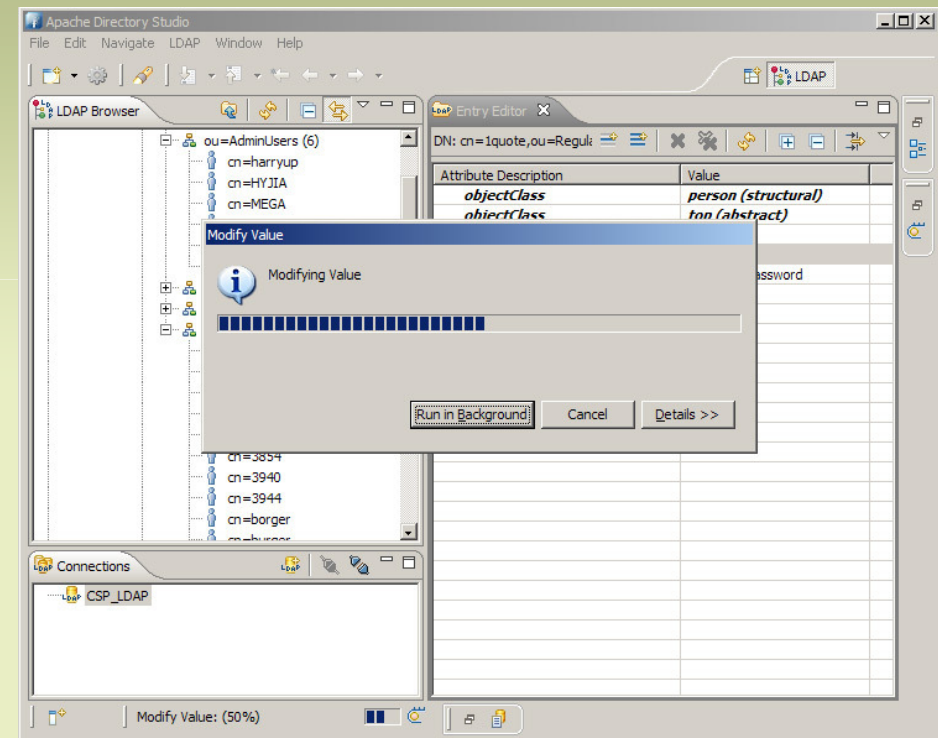
File Integrity Monitoring for Guardian and OSS

- Mandated as part of PCI (11.5)

- File Integrity Monitoring with alerts for unauthorized modifications

- Integrity checking using hash value verification

- Maintains database with file attribute history

So how can we work together ?

- **CSP can help HP Nonstop customers …**
  - **to analyze gaps and loopholes on their HP Nonstop systems**
  - **to enhance security on their systems**
  - **in implementing strong security policies**
  - **by providing proven solutions to meet compliance and audit requirements**
  - **to increase efficiency in managing security**
  - **reduce complexity of security management**
  - **Reduce operational risk**
  - **Lower ALE**

- **CSP is …**
  - **A Professional and flexible organization - easy to work with.**
  - **Provider of proven, reliable products and services.**
  - **providing free trial licenses …**

CSP | **CSP Security.com**
SOLUTIONS FOR HP NONSTOP SERVERS

Thank you !

Protect your customers – Secure your systems !

Talk to us...

For additional information please contact

Thomas Leeb (CSP EMEA)
thomasl@CSPsecurity.com
+43 699 1856 3888