Combating Identity Theft

Context for Biometrics Adoption

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Acuity Market Intelligence cuts through the clutter of information overload to provide technology-neutral and vendor-independent insight, analysis and solutions assessment for emerging technology markets.

Markets: Biometrics, ID Management, Authentication

Clients: Vendors, Integrators, End Users

Authentec, Ball Aerospace, Biocom, Booz Allen Hamilton, CIA, CIC, Datastrip, DOD, Digital Persona, Digimarc, ETRI, IBM GS, Imagis, Identix, Morpheus, NIST, TASC, On Guard Plus, PingID, SAFLINK, SAGEM, SoftPro, TI, Ultra-Scan

Services: Executive Briefings, Consulting, Segment Tracking, Reports, Research, Workshops

Expertise:
- Opportunity Identification & Sizing
- Targeted Vertical Solutions Analysis
- Technology Adoption & Deployment Evaluation
- Sustainable Market Dominance Strategies
Combating Identity Theft

Problem of Identity Theft
- Size
- Scope
- Market Forces

Solving The Problem
- Education/Awareness
- Policies/Procedures
- Legal Framework
- Digital Identity

Opportunity for Biometrics
- Biometrics Role
- Sizing The Opportunity
Size of The Problem

Fast Growing Crime in US

Aberdeen (5/03)
- 300% compound annual growth
- 2003 Financial loss

  Consumer, Business, Government
  - $221.2 billion worldwide
  - $73.8 billion in the U.S

Trajectory > $2 Trillion in 2005

FTC Survey (9/03)
- 4.6% US Victims in the last year ~10M
  - $5B in losses  300M hours
- 12% US Victims in last 5 years ~28M
Scope of The Problem

- Linking ID Theft and ID Fraud
- Linking Real and Digital Worlds
  - Old Problem Recently Exacerbated
    - Low Tech Identity Acquisition
    - High Tech Identity Exploitation
- Traditional Targets Expanding
  - Government - Benefits > Tax Fraud
  - Consumer - Credit Card > Mortgages
  - Commercial - Petty Theft > High Value Crime
- Beneath Financial Services Radar
Market Forces

- Proliferation of SSN as Identifier
- Ubiquity of Web Services
- Sophistication of Hackers
- Inevitability of eGovernment
- Federated Identity Management
- DOD’s Global Information Grid
- Consumer Fear
- Legislative Response
- Convenience Factor
Solving The Problem

- Education/ Awareness
  Consumer, Commercial, Government
- Policies/ Procedures
- Legal Framework
  - Regulations
  - Legislation
  - Breeder Documents
- Digital Identity
  Infrastructure and Authentication
Federal Initiatives
Recent ID Theft Legislation

Passed
- Federal ID Theft Law
- Fair Credit Billing
- Fair Credit Reporting
- Electronic Funds Transfer
- Fair Debt Collection Practices

Pending
- ID Theft Prevention
- ID Theft Penalty Enhancement
- ID Theft Consumer Notification
- Education for Retirement Security
- ID Theft Prevention 2003
- Social Security Number Misuse Prevention

49 States also have laws on identity theft
Digital Identity

Network Infrastructure Evolution
“Halt .. Who goes there?”

Personal Knowledge → Environment of Trust

Anonymity versus Privacy
- Network Based Identity
- Federated Identity
Network Based Identity
Federated Identity

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Authentication Models
Evolution of Digital Authentication

Centralized Control
Authentication

Centralized Authentication
Control

Virtual Centralized Authentication
Control

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Opportunity for Biometrics

Shift Focus:

“Security” > “Identity Protection”

“Identity Context” for Solutions
- BIG Problem Growing Rapidly
- High Point of Pain
- Commercial, Consumer, Government

Link Consumer Protection to Sustainable eCommerce (B2B, B2C), eGovernment (G2B, G2c) and National Security
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