



S E C U R I T Y

# Beyond Compliance

## Redefining...and Protecting... Assets in a High-Tech World

by Jack Finefrock

In today's high-tech world, a successful loss prevention strategy includes protecting much more than what's on the shelves and in the warehouse. New threats, tech-savvy thieves, and compliance issues are forcing loss prevention managers to reevaluate their definition of "asset" and embrace a more proactive security model.

### Understanding What's at Stake

Today, information is money. Data—from business records to pricing details, customer profiles to credit card information and more—should be included on a retailer's list of most valuable assets. Why? Because vulnerabilities in your logical security strategy can do far more damage to your brand, your reputation, and your bottom line than everyday shrink.

According to a study by The Ponemon Institute ([www.ponemon.org](http://www.ponemon.org)), the average cost for a retailer to recover from a single logical security breach involving credit card data is \$5 million, or \$50 per customer for direct costs, such as legal fees, notifications, and fines. And that doesn't even take into account the blow such breaches can deliver to a retailer's brand. Ponemon's research revealed that nearly 20 percent of customers whose credit card information was compromised terminated their relationship with the respective retailer.

New regulations were designed to protect consumers and prevent such losses. But most regulations are designed to be "one size fits all." They're purposefully broad, with the intention of providing at least a minimal amount of protection to the maximum number of participants. And regulations designed to protect credit card information can only go so far—they don't offer protection to other types of data, such as customer profiles used in frequent shopper programs. And they don't protect you from the threats that may lie inside your organization. So even if you're compliant, there's no guarantee you'll prevent a breach.

### Creating a Proactive Security Strategy

Compliance is only the first step in a comprehensive security strategy. A successful strategy is based on a customized, proactive security system that goes beyond simple compliance. It's all about the creation of a proactive security model.

According to research by The Ponemon Institute, nearly 20 percent of customers whose credit card information was compromised chose to terminate their relationship with the respective retailer.

■ **Assess your risk.** The key to protecting data is understanding the threats that can compromise that data. Frequent risk assessments are integral to developing a security strategy that meets the evolving needs of your organization.

■ **Develop a long-term relationship between LP and IT.** IT systems are integral to the protection of data, and they're increasingly involved in securing people and property. Continued collaboration between LP and IT can help ensure the protection of your organization's assets.

■ **Protect yourself from the inside out.** Antivirus measures, firewalls, patches, log file reviews, and other reactive tools aren't enough to protect your critical systems from malicious intent. Your best line of defense is to create rules that define the activities you will allow to occur within

your critical systems and to permit nothing more. This least-privilege environment embraces the philosophy that the fewer privileges you allow, the more you minimize the opportunity for malicious activity.

■ **Devise a plan for proactive monitoring.** Breaches aren't limited to the business day. That's why the security of your critical systems and data should be monitored around the clock. Monitoring provides an extra layer of protection, and it enables you to identify and mitigate malicious activity in real time, not after the damage has already been done.

### Taking the Next Step

For nearly 150 years, Diebold has partnered with our customers to deliver proactive security strategies. We can help you understand logical security and integrate the tools that will protect your data. For information about how Diebold can help you redefine and protect your assets, call 800-300-1434 or visit [www.diebold.com/logical](http://www.diebold.com/logical). ■



*Jack Finefrock is vice president of retail solutions for Diebold Security. He has led the company's retail division since its inception, garnering national accounts and helping Diebold Security evolve into one of the world's leading security integrators.*