



It's hard to comprehend that the end of the year has arrived so quickly. So before we get too far into this quarter's newsletter, we would first like to sincerely wish you, your colleagues, friends and family a safe and spectacular holiday season.

The end of the year can provide perspective... so for this quarter's newsletter, we thought it might be valuable to send along some observations and reflections on the evolving state of the industry with the hope we don't become the anecdotal "[boiling frog](#)," (the story often used as a metaphor for the inability of people to react to significant changes that occur gradually).

"Data Rules" Why it's even more important now...

Information technology now permeates almost every part of our lives, and for a majority of organisations, the data it maintains is now one of its most valuable and proprietary assets. Competitors can copy your processes; they can buy the same equipment. But your company's data is unique to your business and distinctly yours. Whether it resides in traditional IT systems or the emerging "cloud", **the ability to get to it, trust it, and use it to drive effective decisions is a key enabler of competitive advantage.** You may want to consider whether the "confidentiality, integrity and availability" of this data should be on your company's board-level risk register, or proactively managed.

New era, new rules, real cost

Most enterprises are using the internet as an essential part of their business strategy. This isn't surprising, since it's [estimated](#) that 80% of Australians use the internet. While this may be a 'blinding glimpse of the obvious', it's the emergence of a **real market and economic system for realising the value of exploited data** that has changed your business landscape – particularly if you're the custodian of sensitive customer data (such as credit cards or health records).

For example, with data breaches we frequently read of the loss of customers and damaged reputation, but a recent case reported in "[Wired Magazine](#)" painfully illustrates the "hard cost" of data loss – particularly for smaller organisations. *"... (The owner of a small rural restaurant) was forced to hire a forensic team to investigate the breach, which cost him \$19,000. Visa then fined his business \$5,000 after investigators found the system was non-compliant. MasterCard levied a \$100,000 fine against his restaurant, but opted to waive the fine, due to the circumstances. ... Then the chargebacks started arriving... thieves racked up \$30,000 on 19 card accounts. He had to pay \$20,000..."* Allegedly, the technical support provider also installed remote-access software to fix technical problems off-site, yet didn't keep the system up to date and the log-in and password's were the same for 200 different clients.

In today's world, it can now be very costly to be sloppy. We're frequently surprised by the number of mistakes that could be avoided if organisations applied a basic duty of care to at least cover the 'basics.' A while ago we developed a simple "stages of excellence" framework that may be able to help you address the basics – send us an [email](#) if you'd like to see it.

Security's strategic role in business innovation

We read an insightful, thought-provoking document ([sponsored by RSA](#)), that summarised the views of an impressive panel of 'Global 1000 Executives.' The report does a great job articulating the role of security in today's connected business world and how it is fundamental to business innovation.

Trusted Impact was founded several years ago on a number of similar observations we believe are becoming considerably more relevant in today's modern business environment. Some summarised highlights that may be relevant to your organisations include:

"... In a world where employees, customers, partners and even competitors can be collaborators in the business innovation process, **security strategies and practices now have the power to make or break major business goals...**

Today, business innovation means extending beyond the enterprise – open collaboration, direct interaction with customers, tighter integration with partners, and incorporating external talent and resources...

Enterprises increasingly use information technology to power their innovation efforts while facing mounting regulation and escalating threats to information. **Without the right security strategy, business innovation could easily be stifled or put the organisation at risk.**

As a security practitioner, the mission is not to say "no," but rather "how." ... Focus your security efforts where they will get the most return...

Business growth and innovation demands sharing intellectual property, infrastructure and ideas, while at the same time safeguarding trademarks, copyrights, and patents. When customer data or sensitive financial data is exchanged, confidentiality and privacy protections are paramount. **Security can solve these issues and add value in managing identities, delivering faster integration with partners, and providing efficient on-boarding and off-boarding"**

Thank you for taking the time to read our note. We wish you all the best for a successful 2010!

Kind Regards,



We help enterprises understand, prioritise, and secure sensitive information.

we're **independent** consultants – it's about **your** business and **your** success
with a **singular focus** – information security is all we think about
leveraging **experienced** professionals – credentials, not checklists
and its **guaranteed** – we will deliver, full stop.

Please feel free to forward this to any friends or colleagues who may find it useful.