



# Identity Theft

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Can Data Loss Shut Down  
Your Company?

# Balance Sheet

For the Year End 2001 through 2005

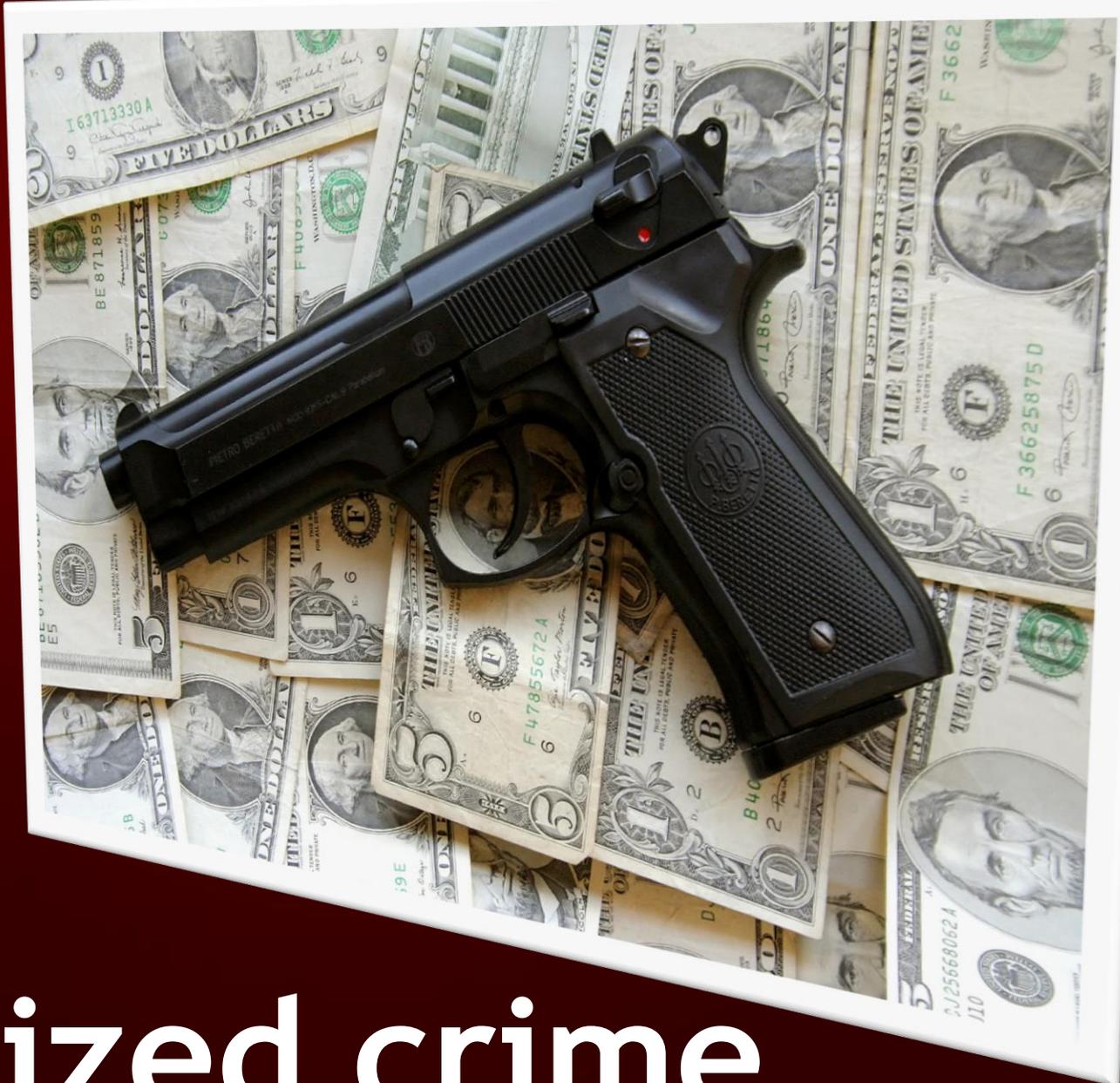
(all numbers in 000s)

ASSETS	2001	2002	2003	2004	2005
<b>Current Assets</b>					
Cash and Equivalents	\$32,615	\$20,576	\$295,794	\$261,237	\$432,893
Net accounts receivable	563,995	361,644	376,110	391,154	469,385
Inventory	500,148	470,693	485,400	500,654	574,162
Other current assets	10,000	10,000	10,000	10,000	10,000
<b>Total Current Assets</b>	<b>\$1,106,758</b>	<b>\$862,913</b>	<b>\$1,167,304</b>	<b>\$1,163,046</b>	<b>\$1,486,440</b>
<b>Fixed Assets</b>					
Capital assets	\$125,000	\$61,000	\$51,000	\$100,000	\$1,120,000
Accumulated depreciation	(84,000)	(12,200)	(24,800)	(62,000)	(54,163)
<b>Total Net Fixed Assets</b>	<b>\$41,000</b>	<b>\$48,800</b>	<b>\$26,200</b>	<b>\$38,000</b>	<b>\$1,065,837</b>
<b>TOTAL ASSETS</b>	<b>\$1,122,758</b>	<b>\$1,290,713</b>	<b>\$1,502,494</b>	<b>\$1,900,995</b>	<b>\$2,622,287</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Accounts payable	\$263,520	\$224,895	\$233,712	\$242,896	\$280,910
Short-term notes	70,000	0	0	0	0
Other short-term liabilities	0	0	0	0	0
<b>Total Current Liabilities</b>	<b>\$333,520</b>	<b>\$224,895</b>	<b>\$233,712</b>	<b>\$242,896</b>	<b>\$280,910</b>
Long-term liabilities	\$225,000	\$195,000	\$45,000	\$45,000	\$45,000
<b>Total Liabilities</b>	<b>\$558,520</b>	<b>\$419,895</b>	<b>\$278,712</b>	<b>\$287,896</b>	<b>\$325,910</b>
<b>Shareholders' Equity</b>					
Capital stock	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000
Retained earnings	444,238	750,818	1,103,782	1,493,099	2,176,377
<b>Total Shareholders' Equity</b>	<b>\$554,238</b>	<b>\$860,818</b>	<b>\$1,213,782</b>	<b>\$1,603,099</b>	<b>\$2,286,377</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$1,112,758</b>	<b>\$1,280,713</b>	<b>\$1,492,494</b>	<b>\$1,890,995</b>	<b>\$2,612,287</b>

Unprotected Risk

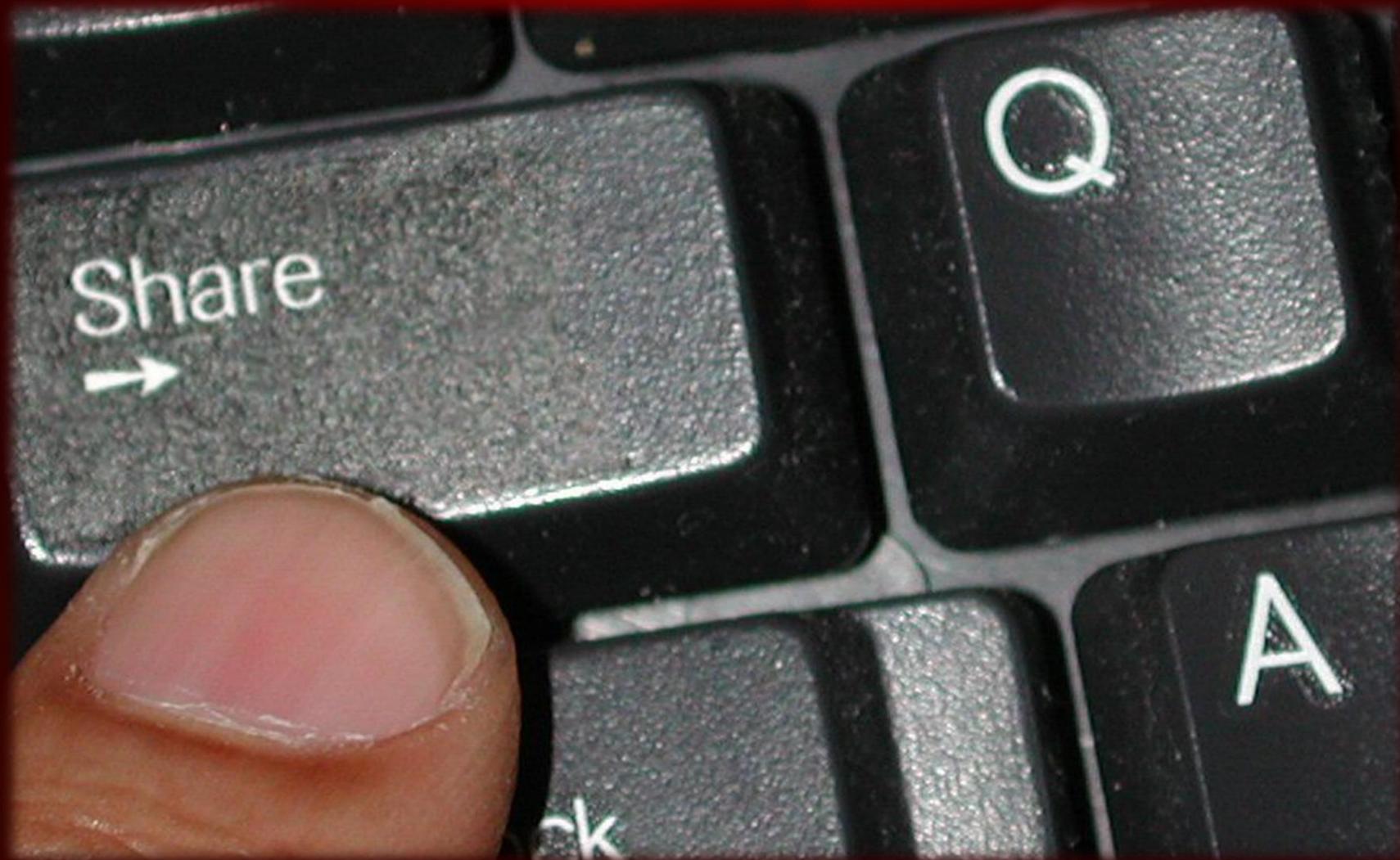
# **ID Theft**

**The fastest  
growing crime  
in history**



Organized crime

# Organized Crime Websites



<b>ADP</b>	<b>Choice Point</b>	<b>Fidelity Investments</b>	<b>Major League Baseball</b>	<b>State of Ohio Employees</b>
<b>Aetna</b>	<b>Circuit City</b>	<b>Ford Motor Company</b>	<b>Mastercard</b>	<b>Time Warner</b>
<b>AFLAC</b>	<b>City of Chicago</b>	<b>FTC</b>	<b>MCI</b>	<b>TJ Maxx</b>
<b>AIG</b>	<b>City of San Diego</b>	<b>Geisinger Health Sys.</b>	<b>Mississippi Sec.of State</b>	<b>T-Mobile</b>
<b>Allstate</b>	<b>City of Savannah</b>	<b>General Electric</b>	<b>Moneygram Int.</b>	<b>Toyota</b>
<b>Amer. Cancer Society</b>	<b>Cleveland Clinic</b>	<b>General Motors</b>	<b>NASD</b>	<b>TransUnion Credit</b>
<b>American Red Cross</b>	<b>ConEdison – NYC</b>	<b>Georgia Tech</b>	<b>NC Dept. of Revenue</b>	<b>TSA</b>
<b>Ameritrade</b>	<b>Cong. Budget Office</b>	<b>H&amp;R Block</b>	<b>Nikon</b>	<b>US Census Bureau</b>
<b>AOL</b>	<b>Cornell University</b>	<b>HCA</b>	<b>Nissan Motor Co.</b>	<b>US Dept of Commerce</b>
<b>Army National Guard</b>	<b>Deloitte and Touche</b>	<b>Hertz</b>	<b>North Carolina DMV</b>	<b>US Dept of Education</b>
<b>AT&amp;T</b>	<b>Dept. of Defense</b>	<b>Honeywell</b>	<b>Northwestern Univ.</b>	<b>US Dept of Transportation</b>
<b>Atlantis Hotel</b>	<b>Diebold, Inc.</b>	<b>Humana</b>	<b>Ohio Secretary of State</b>	<b>US Navy</b>
<b>Bank of America</b>	<b>Dollar Tree</b>	<b>Indiana Dept. of Health</b>	<b>OSU Medical Ctr.</b>	<b>US State Dept.</b>
<b>Boston Globe</b>	<b>DSW Shoes</b>	<b>ING</b>	<b>Penn. Dept of Trans.</b>	<b>UCLA</b>
<b>Blue Cross-Blue Shield</b>	<b>Eastman Kodak</b>	<b>IRS</b>	<b>Port of Seattle</b>	<b>Union Pacific</b>
<b>Boeing</b>	<b>Emory Univ. Hospital</b>	<b>JP Morgan Chase</b>	<b>Providence Healthcare</b>	<b>Univ. of Alabama</b>
<b>Camp Pendleton</b>	<b>Equifax</b>	<b>Kaiser Permanente</b>	<b>Purdue University</b>	<b>Univ. of Arizona</b>
<b>Chevron</b>	<b>Ernst &amp; Young</b>	<b>Kraft Foods</b>	<b>Ralph Lauren – Polo</b>	<b>University of Miami</b>
<b>Chicago Voter Database</b>	<b>FDIC</b>	<b>Linens &amp; Things</b>	<b>Republican Nat. Comm.</b>	<b>University of Notre Dame</b>
<b>Children’s Serv. - NYC</b>	<b>Fedex</b>	<b>Lloyds of London</b>	<b>Sam’s Club</b>	<b>University of SC</b>
		<b>City of Los Angeles</b>	<b>Starbucks</b>	

Source:

Privacy Rights Clearing House

# 50% WORKPLACE









**facebook**<sup>®</sup>



**iTunes**









**Financial**

**DMV**

**Social Security**

**Criminal**

**Medical**

**Your Name**

1000's of Aggregators

# PERSONAL

**Social Security #**

SSA DBS

**Insurance Claims**

C.L.U.E. DBS, etc

**Legal History**

State and Federal Court DBS

**Driver's License # & Record**

DMV DBS

**Fingerprints and DNA**

FBI, State, and Local DBS

**Military Record**

DOD DBS

**Credit History**

Credit Repositories' DBS

**Criminal History**

NCIC DBS

**Birth Certificate**

Choice Point DBS, State, etc

**Real Estate Deeds**

Clerks of Court DBS

**Car Registration & Info**

DMV, Local Treasurer, On Star, etc

**Medical Records**

MIB DBS, etc

**Phone Number and Tracking Info**

1000's of Aggregators

**Address**

1000's of DBS



The image features a background of blue binary code (0s and 1s) arranged in a grid pattern. A red laser line originates from the top-left corner and points towards a glowing orange and red '0' in the center. The text 'No way to expunge databases' is overlaid in white, bold, sans-serif font.

**No way to expunge  
databases**





# Important Legislation

- ◆ FACTA
- ◆ Red Flags Rule
- ◆ HIPAA Security Rule
- ◆ Gramm, Leach, Bliley Safeguard Rules
- ◆ HITECH Act
- ◆ Individual State Laws

# FEDERAL ID THEFT LAWS REQUIRE

- Appointment of a Security Compliance Officer
- Written Sensitive & Non-Public Info Policy
- Written ID Theft Prevention Program
- Mandatory ID Theft Training for Employees
- Employees sign Confidential Info Agreement
- Implement a Mitigation Plan for Data Loss
- Oversee Business Associates & Vendors



Betsy Broder - FTC

**Lose data ... pay for  
victim ID protection**



**Nashville**  
**\$3.6M**



# Lawsuits



Ohio  
\$3M



UNIVERSITY OF UTAH  
FOUNDED FEBRUARY 28 1850

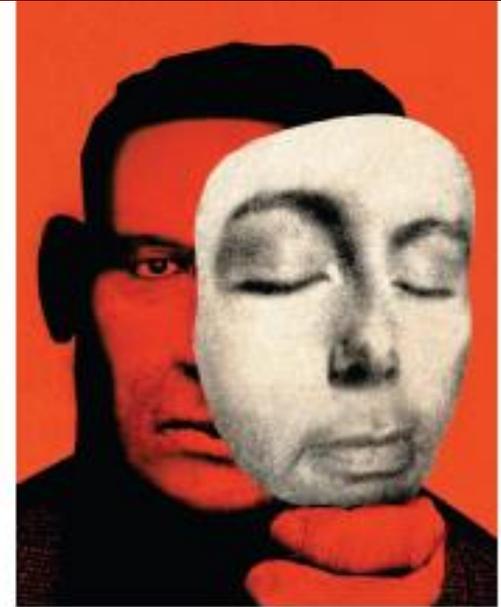


# Class Action Suits

Victims of Identity Theft  
Start Looking for Damages  
From Companies That Held  
Their Personal Financial  
Information

JASON  
KRAUSE

# STOLEN LIVES



ABA Journal - March 2006



**States Attorneys General**

# Providence Healthcare Milwaukie Hospital



**365,000 patients**

# The Oregonian

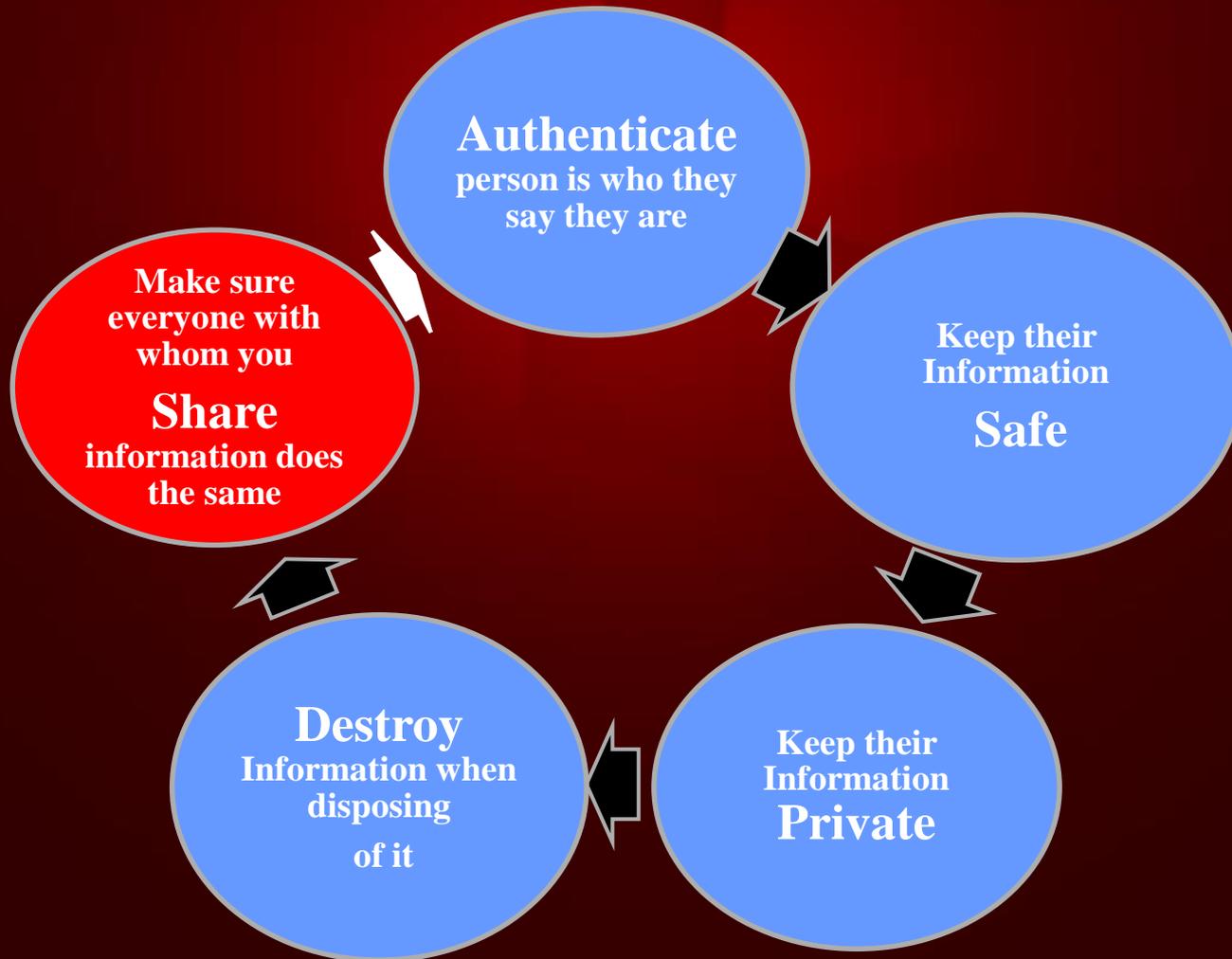
**“Court tosses stolen data lawsuit .”**

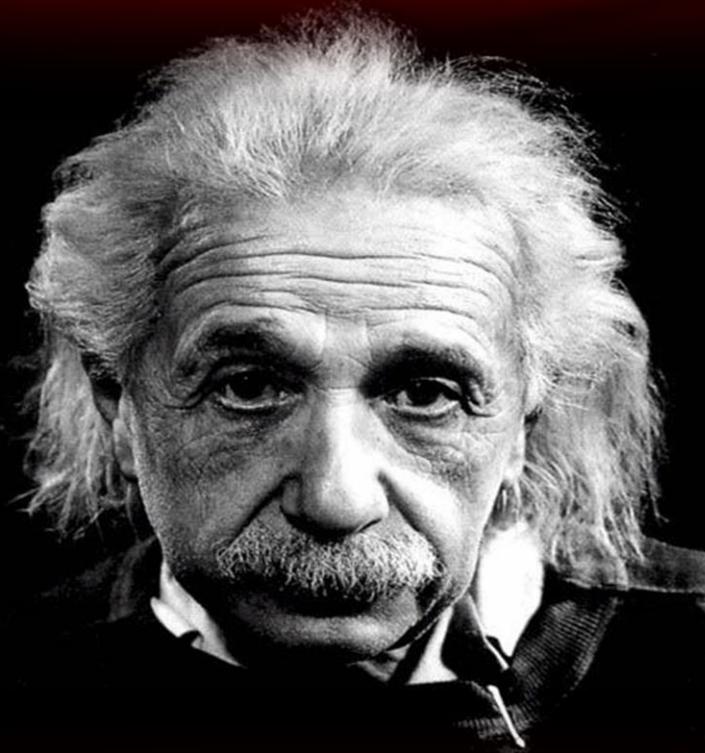
**“ A judge says  
Providence has done  
enough for the 365,000  
affected people.”**

November 9, 2007



# Compliance Program Goal

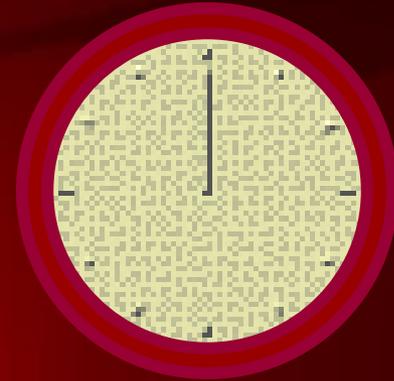




**“Intellectuals solve problems;  
geniuses prevent them.”**

-Albert Einstein

# Have you missed these deadlines ?



**HIPAA Security Rule**

**April 2005**

**FACTA**

**June 2005**

**HITECH**

**Sept 2009**



Julie Ryan

[www.isaturninc.com](http://www.isaturninc.com)