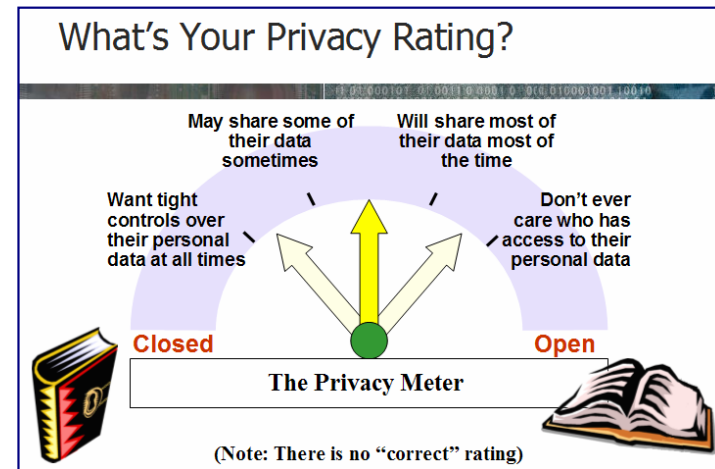
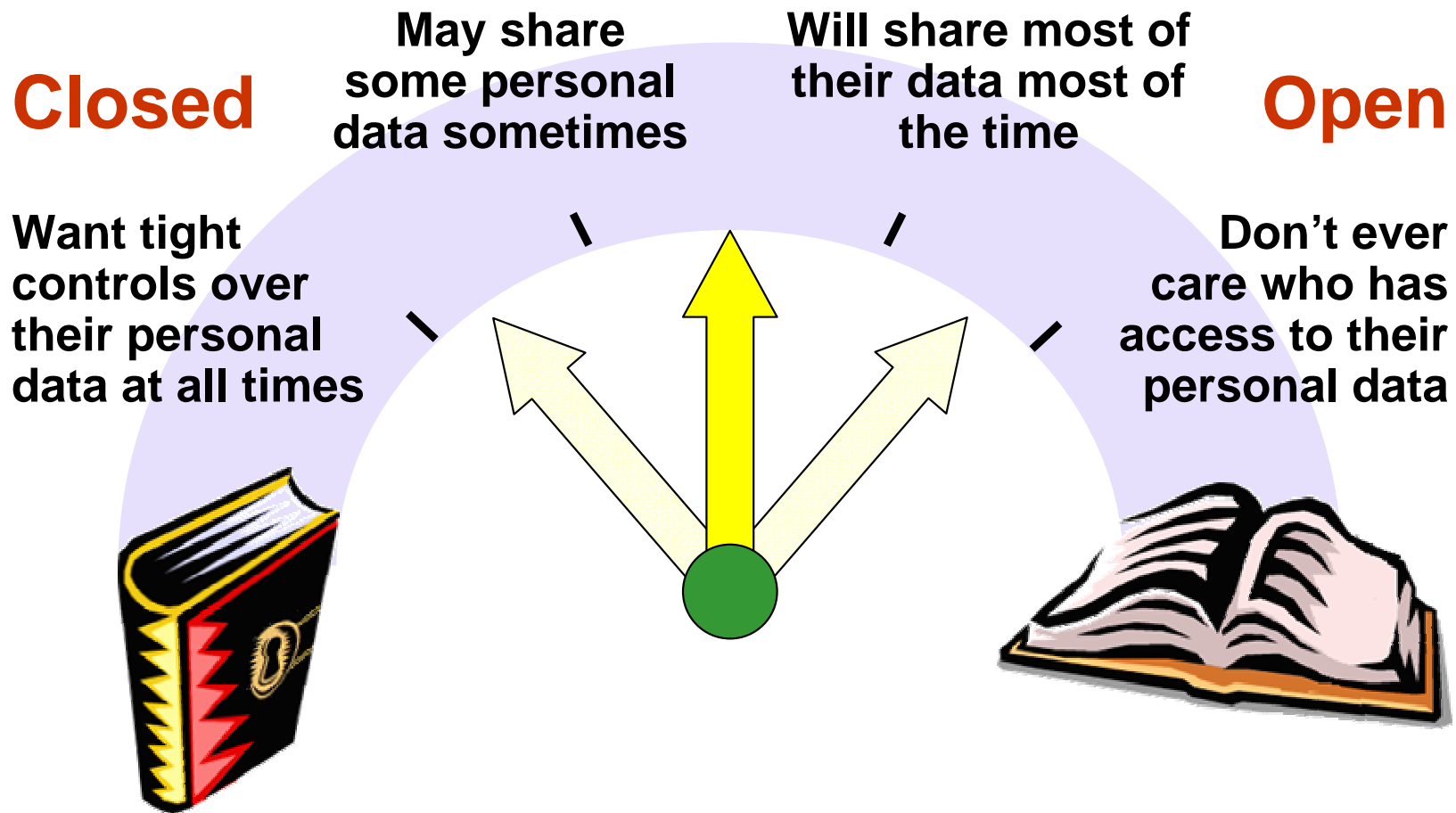


# The Privacy Meter and Privacy Possibilities



How your feelings about privacy affect your company  
How your company may profit from privacy

Stephen Cobb, CISSP  
Cobb Associates



## The Privacy Meter

There is no “correct” reading and results may vary!  
Avoid setting company position on privacy matters according to your personal position on the scale.


# Understanding Privacy Positioning

- If you are too “open” you may under-estimate the legitimate privacy concerns of customers
- Just because you are open does not mean that others should be.
- Need to respect the privacy preferences of customers and the applicable laws and regulations
- If you are too “closed” you may seek restrictions that negatively impact the legitimate use of business data
- Just because you are closed does not mean that others should be.
- Need to respect the privacy preferences of customers and applicable laws and regulations

## EPICENTER

MIND OUR TECH BUSINESS

## Report: Facebook CEO Mark Zuckerberg Doesn't Believe In Privacy

By Eliot Van Buskirk  April 28, 2010 | 1:47 pm | Categori

Facebook CEO Mark Zuckerberg appears to have been outed as not caring one whit about your privacy — a jarring admission, considering how much of our personal data Facebook owns, not to mention its plans to become the web's central repository for our preferences and predilections.

People make connections and draw conclusions

Privacy Positioning Can Be Problematic

## New Threat: Undetectable Facebook Scams

Erik Larkin

Apr 28, 2010 6:06 pm



I recently received two Facebook e-mail notifications that set my security spider-sense tingling. Nothing was

# Personally Identifiable Information

- Information that relates to an individual who can be identified, directly or indirectly, from the data, particularly by reference to an identification number or aspects of his or her physical, mental, economic, cultural, or social identity.
- Not just name and address.
- Can you figure out who the person is from a set of data? Then it's PII.
- E.g. There's just one
  - Female
  - Owner of a blue Jeep
  - Over 50
  - In ZIP code 13450

# Privacy Concerns

- More than 90 percent of respondents called online privacy a “really” or “somewhat” important issue, according a 2009 survey of more than 1,000 Americans conducted by TRUSTe.
  - Privacy concerns are not new.
  - Which one or two of the following are your greatest concerns over the next century?
    - Loss of privacy 29%
    - Overpopulation 23%
    - Terrorist acts 23%
    - Racial tensions 17%
    - World War 16%
    - Global warming 14%
    - Economic depression 13%
- NBC News/ WSJ - Sept. 1999

# Cost of "A Privacy Blowout"

Small.com, Inc.			BigCompany, Inc.		
Action	Time (hours)	Cost	Action	Time (hours)	Cost
• CEO/president time	86	\$7,100	• CEO/president time	48	\$8,100
• Management time	95	\$5,544	• Management time	620	\$38,889
• PR meetings and calls	40	\$1,067	• PR meetings and calls	800	\$21,333
• Management press calls	26	\$1,778	• Management press calls	76	\$5,456
• Management review of privacy practices	15	\$833	• Management review of privacy practices	250	\$13,889
• Customer service calls and emails	88	\$1,944	• Customer service calls and emails	18,750	\$416,667
• Employee communications and training	1	\$1,333	• Employee communications and training	18,770	\$335,889
• External consultants		\$22,500	• External consultants		\$181,250
• Travel		\$2,000	• Travel		\$16,500
<b>Grand total</b>		<b>\$44,099</b>	<b>Grand total</b>		<b>\$1,037,973</b>

- Forrester Research, Feb 2001 Report ([www.forrester.com](http://www.forrester.com))

# Millions of Dollars Are at Stake

- >\$44K for a small business >\$1M+ for a big firm
- In 2006, data breaches cost an average of \$182 per compromised record - Ponemon Institute
  - (had risen to \$202 by 2009)
- Royal Bank of Canada re-engineered its IT systems to track customer privacy preferences,
  - Determined that privacy drives 7% of demand for the bank's consumer/retail business.
  - Total value of that business = \$9 billion
  - Business value of privacy = \$630 million!

# Try this 3-step privacy program

- Target

- Find current privacy exposures and prioritize
- Talk to department heads, map data flows, ask questions, especially of marketing

- Treat

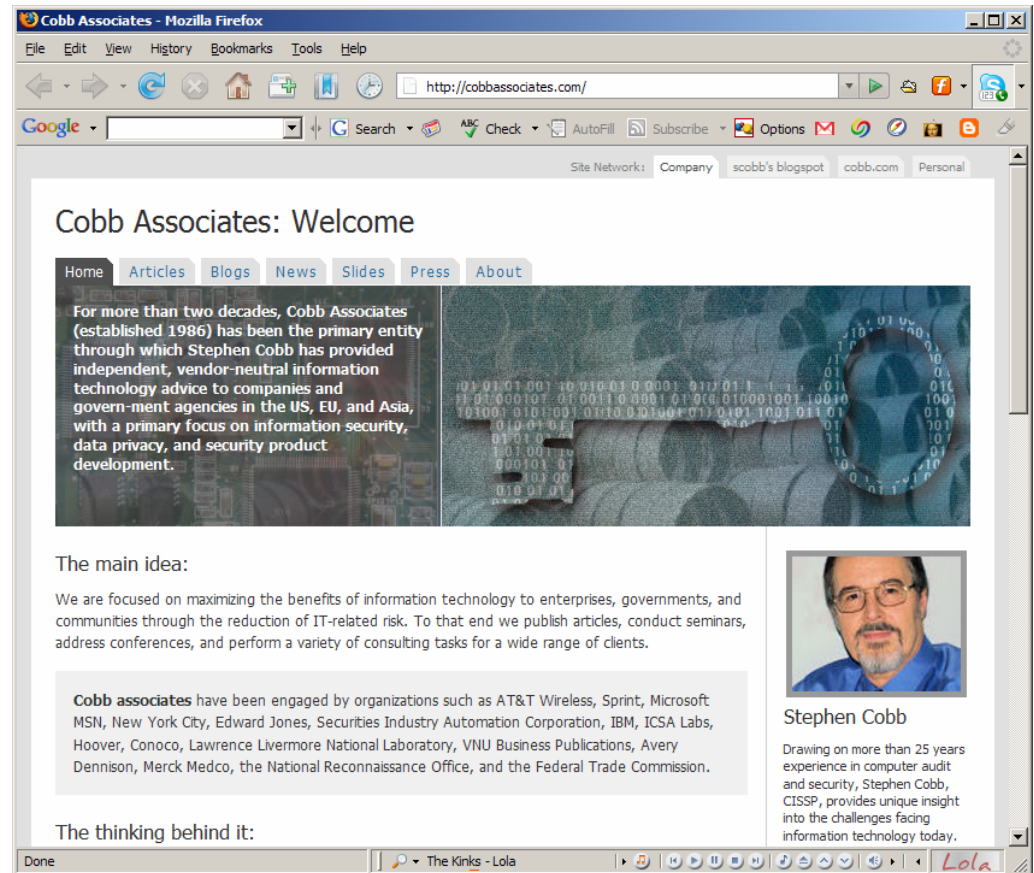
- Make necessary changes and then institute policies and procedures to prevent recurrence

- Train

- Make sure all employees at all levels understand the importance of privacy, especially anyone who touches PII
- This goes a lot further than customer service, e.g. contracts, programming, product development, shipping department

# Thank you!

- Stephen Cobb, CISSP
- cobbassociates.com
- email scobb @ scobb dot net
- cobbsblog.com
- privacyforbusiness.com



The screenshot shows a Mozilla Firefox browser window displaying the Cobbs Associates website. The address bar shows the URL <http://cobbassociates.com/>. The website has a navigation menu with links for Home, Articles, Blogs, News, Slides, Press, and About. The main content area features a large image of a hand holding a glowing blue sphere with binary code, and a text block that reads: "For more than two decades, Cobbs Associates (established 1986) has been the primary entity through which Stephen Cobb has provided independent, vendor-neutral information technology advice to companies and government agencies in the US, EU, and Asia, with a primary focus on information security, data privacy, and security product development." Below this, there is a section titled "The main idea:" which states: "We are focused on maximizing the benefits of information technology to enterprises, governments, and communities through the reduction of IT-related risk. To that end we publish articles, conduct seminars, address conferences, and perform a variety of consulting tasks for a wide range of clients." A sidebar on the right contains a portrait of Stephen Cobb and a bio: "Drawing on more than 25 years experience in computer audit and security, Stephen Cobb, CISSP, provides unique insight into the challenges facing information technology today." At the bottom of the browser window, the status bar shows "Done" and the page title "The Kinks - Lola".