

Would you accept orders from this man?

**SEVEN NAMES
NORTH POLE ADDRESS
NO POSTCODE
BORN circa 300AD
FALSE BEARD**

CyberSource®

Online Identity & Authentication
From a Merchant Perspective

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CyberSource

- Background?
 - Founded in the US in 1994
 - Currently process approximately 2m transactions per day
 - Offices in US, UK & Japan
 - UK office since 1997

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What do we do?

- Payment Processing
 - Payment solutions for enterprise and international CNP retail merchants
- Risk Management at the “Point of Sale”
 - Software and outsourced solutions for enterprise eCommerce and MO/TO merchants
 - Owners of the world's first and longest running Internet Fraud Screen (AFS)
 - Specialists in multi-channel fraud controls where there is no authentication

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Why?

- Banks
 - Consumer gets 100% protection
 - Merchant pays for this protection
 - There is no authentication
 - The Merchant has this problem now!
- The only advantage the Merchant has is “They don’t have to sell you anything”

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How Does CyberSource Assert an Identity

- Fraudsters use multiple data sources
- Merchants need to do the same
 - PAF / IP Data / Age (DoB) / Store History / Industry Shared Data
- CyberSource has been involved in delivering this type of solution for years
 - Name pattern matching
 - Clean data
 - Certification of message delivery
 - Neural modeling
 - Profiling information (not the consumer)

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Card Schemes Initiatives

- Card Scheme initiatives
 - AVS & CVV
 - Verified by Visa
 - MasterCard SecureCode
- Common Technology Standard
- Real Merchant Protection
 - Merchants will achieve chargeback protection against consumer repudiation – the Issuing Bank will accept liability.
 - But it has limits – not a “Silver Bullet”
- Security Schemes
 - AIS



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Look to the Future for Protection

- EMV?
 - There are no immediate plans to put this into the CNP environment, although it seems logical in the long run.
- Dynamic CVV?
 - If this happens, when it happens, GREAT
- Biometrics
 - Not for some time...
- Digital Signatures?
 - If this happens and when it happens (who is going to be the trusted certifier)

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Information Identifies the Person

- Gather as much information as you can
- Model the “Good Guy”
- Measure the Deviance

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**EMBRACE
FRAUD**

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