



Sounding the Alarm: Protecting Customer Data and Information

In the January 2008 eConnect, we delivered the Datamonitor brief, Security in Retail Banking, and information about Fiserv FraudGuard SE. In this issue, we take another look at fraud protection by further examining the importance of back-end detection systems.

The development of more sophisticated approaches to crime and increased financial regulations has created the need for a multilayered approach to prevent fraud and protect customer data and information. As reported in the 2007 Gartner report, "The Truth Behind Identity Theft Numbers," the average loss due to identity theft climbed 131 percent in the one-year period between 2005 and 2006. Furthermore, as of 2006, it became mandatory for U.S. Banks to conform to Federal Financial Institutions Examination Council (FFIEC) guidance in these areas:

- Development of risk-based approaches
- Stronger customer verification
- Better protection of accounts
- Monitoring of unauthorized or unusual activities

Front-line authentication tools, whether single factor (e.g., password) or multifactor (e.g., password and IP address) are not enough. The FFIEC notes that safeguarding information requires multiple layers of control, such as authentication and the systematic analysis of customer activities. A strong case exists for using back-end detection systems to build scenarios that help financial institutions identify low-, medium-, and high-risk behavior and transaction patterns.

Back-end fraud detection and prevention systems provide the following advantages and capabilities:

- Automated customer transaction monitoring
- Customer behavior profiles

Download the Fiserv White Paper, [The Need for Back-End Fraud Detection and Prevention](#), NOW!

Fiserv is pleased to provide complimentary, value added knowledge resources that contribute to stronger consulting engagements.

Fiserv Reports Fourth Quarter and Year-end 2007 Results

Fiserv reported financial results for the fourth quarter and full year.

"Our fourth quarter financial results validate the strength of our recurring-revenue business model and cap a very strong year," said Jeffery Yabuki, President and Chief Executive Officer of Fiserv.

[Read complete news release](#)

Fiserv Appoints Denis O'Leary to its Board of

- Risk views
- The use of historical data to detect fraud behavior
- System fine-tuning

Fraud continues to be a growing problem, draining revenues, impacting customer confidence, and damaging reputations around the globe. According to PricewaterhouseCooper's *Third Biennial Economic Crime Survey*, 45% of companies reported falling victim to fraud in the past two years, and over one-third of these fraud cases were discovered by accident, making "chance" the most common fraud detection tool. Therefore, it is critical for financial institutions to take a more proactive approach in controlling the impact increased crime will have on their business and profitability.

Industry Resource

The Fiserv white paper "[The Need for Back-End Fraud Detection and Prevention](#)" discusses the importance of anti-fraud activities in the financial services marketplace and how organizations can protect their internal resources, reputations, and customer assets. The white paper includes:

- The challenge to financial institutions
- A risk-based approach to back-end detection
- Technology considerations

Fiserv Resource

[NetEconomy](#) provides a comprehensive financial crime management and compliance solution suite designed to protect financial institutions from money laundering, and internal and external fraud risks. NetEconomy key capabilities include:

- Dynamic risk scoring
- Advanced peer group analysis
- Detection and risk analysis
- Alert management and investigation
- Case management and advanced workflow
- Regulatory and management reporting

In the Celent report, "[Evaluating the Vendors of Anti-Money Laundering \(AML\) Solutions 2006](#)," NetEconomy ranked in the top quartile of transaction monitoring solutions reviewed, based upon breadth of functionality and technical flexibility.

To learn more, contact Joan Skimmons at general_info@fiserv.com, 800-872-7882 or 262-879-5000.

Directors

Fiserv appointed a new member to its Board of Directors, Denis O'Leary, a private investor and consultant with expertise in enterprise technology, financial services and consumer payments. He serves as a senior advisor to the Boston Consulting Group.

"Denis brings more than two decades of experience with one of the largest banks in the country to the Fiserv Board of Directors," said Don Dillon, Fiserv Chairman of the Board.

[Read complete news release](#)

TD AMERITRADE Closes Fiserv ISS Deal

TD AMERITRADE Holding Corporation (Nasdaq: AMTD) and Fiserv, Inc. (Nasdaq: FISV) announced today that TD AMERITRADE has completed its purchase of Fiserv's Investment Support Services (ISS) business for approximately \$225 million in cash plus the amount of acquired regulatory capital. Additionally, based upon achievement of certain revenue targets over the next 12 months, there is an earn-out of up to \$100 million payable to Fiserv.

[Read complete news release](#)

Upcoming Events

Fiserv is attending these upcoming trade shows

[ICBA National Convention and Techworld](#)

Mar 2
Orlando, FL

[CUNA Government](#)

Mar 3
Washington, DC

[MBA National Tech
Conference](#)

Mar 16
Grapevine, TX

[More events](#)

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