



**INTERNET
SECURITY
ALLIANCE**

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Digital Growth? **Sure**

“Companies have built into their business models the efficiencies of digital technologies such as real time tracking of supply lines, inventory management and on-line commerce. The continued expansion of the digital lifestyle is already built into almost every company’s assumptions for growth.”

---Stanford University Study, July 2006



Purpose of this Publication

- Corporations have often failed to account properly for the downside risks associated with their cyber systems.
- This publication provides a tool to assist corporations in realizing and addressing the multitude of issues they need to face.



Digital Defense? Maybe Not

29% of Senior Executives “acknowledged” that they did not know how many negative security events they had in the past year

50% of Senior Executives said they did not know how much money was lost due to attacks



Source: PricewaterhouseCoopers survey of 7,000 companies 9/06



Digital Defense

Not So Much

- 23% of CTOs did not know if cyber losses were covered by insurance.
- 34% of CTOs thought cyber losses would be covered by insurance----and were wrong.



Faces of Attackers... Then



Joseph McElroy

Hacked US Dept of Energy



Jeffrey Lee Parson

Blaster-B Copycat



Chen-Ing Hau

CIH Virus



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Faces of Attackers... Now



Jay Echouafni
Competitive DDoS



Jeremy Jaynes
\$24M SPAM KING



Andrew Schwarmkoff
Russian Mob Phisher

Characteristics of the New Attackers

Shift to profit motive

Zero day exploits

Increased investment and innovation in
malcode

Increased use of stealth techniques





The Changing Threat

- Today, attackers perpetrate *fraud*, gather *intelligence*, or conduct *blackmail*
- Vulnerabilities are on client-side applications word, spreadsheets, printers, etc.
- Less than 1% of cyber criminals are successfully caught and prosecuted



Why Now?

- With the passage of the 911 legislation DHS was given the job of promoting private sector security standards for critical infrastructure including the Internet.
- To answer this challenge ANSI and ISA joined forces w/Govt. partners to create this framework to assist the private sector to assess, manage and transfer cyber risks



What We Will cover

- A full systems approach
- Operations
- Legal and regulatory issues
- Compliance requirements
- Public and business communications
- Insurance

- Questions the CFO needs to ask and answer