



SECURITY. A portable security solution that provides a perfect fit with current trends in e-commerce could alleviate the concerns of the many consumers who are reluctant to do their shopping and banking online.

YPSID e: E-COMMERCE SECURITY IN YOUR POCKET

Question: what's small, smart and attractive to bankers? Answer: YpsID e, a fraud-proof portable identity authentication solution delivered in a USB flash drive, developed by Sagem Sécurité (Safran Group) for use in online financial transactions. Unveiled in Paris last November at the international trade show Cartes & IDentification 2007, YpsID e will be on the market this spring. "With this pint-sized flash drive, entering a customer

number and a PIN number to access an online banking site is a thing of the past. Users can simply plug the device into a computer USB port, enter a four-digit security code, and YpsID e does the rest," explains Nicolas Goniak, program manager at Sagem Sécurité. First, YpsID e checks that the bank's website has not been hijacked by a "fake page". It then generates a unique, one-time password for the transaction to eliminate the risk of interception by hackers. Beneath its

sleek exterior, YpsID e offers state-of-the-art authentication capabilities, based on Sagem Sécurité's expertise in cryptography and the smart card know-how of Sagem Orga.

Security: a shot in the arm for e-commerce

These technologies are the driving force behind the latest development strategies for e-banking as well as e-commerce in general. "In the last few years, banks



have begun overhauling their business model to focus on high-added-value activities like loans, life assurance and financial products, while encouraging the use of online banking for day-to-day transactions such as payments. The only problem is that many customers are still reluctant to do their banking on the Internet due to concerns about fraud, or a general lack of confidence," adds Nicolas Goniak. Given that establishing and maintaining consumer confidence is vital to the continued growth of e-commerce and e-banking, a solution had to be developed to reassure consumers and unleash the power of the Internet.

This is where YpsID e comes in. Thanks to its flawless authentication capabilities, customers can relax in the knowledge that they are logging on to a genuine online banking website. The flash drive can be attached to a keychain or slipped into a wallet. Even better, it can be used on any computer and does not require special software, guaranteeing security whether used at home, at the office, or in a cybercafé. This simplicity makes YpsID e ideal for marketing to the banking sector and the general public alike.

Banks like it simple

The product's unrivaled combination

of simplicity and powerful security capabilities give it the edge over much less practical solutions offered by competitors, notably dynamic code generators – pocket calculator-sized devices designed to produce a code which then has to be input into a computer. YpsID e is infinitely more practical. Banks were quick to welcome YpsID e on its launch at the Cartes 2007 trade show, particularly since the product offers end-to-end security, giving customers confidence in online banking websites, and allowing banks to recognize users when they go online. Unlike competing solutions, YpsID e can be mass-produced fast enough to meet the needs of the retail banking sector with its millions of customers, enabling Sagem Sécurité to target this key market.

While banks are the most immediate market, YpsID e could also provide an attractive solution for major online businesses aiming to boost confidence among customers. In particular, it can keep pace with emerging web trends like aggregators, which bring together all of an individual customer's bank accounts within a single portal, and virtual malls. YpsID e can deliver secure access to all of these new services. ■

VIEWPOINT

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How much banking fraud is there on the Internet?

It's difficult to find accurate figures, given the unwillingness to address online fraud in many countries, born of a fear of spreading alarm among consumers. In addition, many victims are reluctant to come forward. A study in the United States, however, valued online fraud at \$3.5 billion annually – equivalent to \$38 per Internet user per year. The same study found that 3.5 million Americans have at some time fallen victim to "fake page" scams.

How can YpsID e help fight online fraud?

It provides strong authentication between user and server – something that can admittedly be achieved by other solutions. The key feature of YpsID e is its portability, which enables it to meet the needs of both banks and users. And it's competitively priced too. Young people are increasingly being targeted by banks seeking to boost their customer base. In this segment, home banking is no longer enough: young people want access to mobile banking via cybercafés or PDAs, bringing a whole new set of security challenges. YpsID e was designed with precisely these needs in mind, making it the next-generation solution that provides a perfect fit with current trends in e-commerce.

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