

## **AUDIO: Small businesses could be whacked over ID breaches**

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- **Vulnerable to tens of thousands of dollars in fines – from their banker**
- **‘80 percent of all fraudulent credit card transactions were generated from small business’**

From the corner dry cleaner to the local dentist’s office to a small restaurant or even a single-person consultancy, credit card problems are lurking, ready to bankrupt the business.

One slip can cost a small business tens of thousands of dollars in fines, imposed by its bank, says security expert Jay Cline of St. Paul, Minn., author of the new book, “Take Charge: Protecting Your Customers’ Credit Card Data.”

Mr. Cline is president of Minnesota Privacy Consultants, a provider of privacy assessments, policies, and training. He has been the privacy columnist for Computerworld since 2002, and in 2005 won the highest competitive award in the privacy profession, the Barbara Wellbery Award.

“One of the myths is that identity theft is all about criminals targeting big banks and big website dot-com companies,” says Mr. Cline. “But ... 80 percent of all fraudulent credit card transactions were generated from small business.”

He says the national security standard, known as Payment Card Industry (PCI) Data Security Standard (DSS), is something that is often totally unfamiliar to small business operators, even though they routinely process in-person or online credit card transactions.

“It’s more basic blocking and tackling,” says Mr. Cline of the steps needed to protect the information. “There are actually some very easy steps that don’t require a lot of IT knowledge.”

*(Jay Cline talks about the extent of the problem and what small businesses should be doing now to protect their customers and themselves in today’s CVBT Audio Interview. Please left-click on the link below to listen now or right-click to download the MP3 audio file for later listening. It is not good “bed time” listening.)*

“In today’s environment, protecting cardholder data is a smart investment and a necessary cost of doing business for both large and small businesses,” says Jennifer Fischer, director

of Payment System Risk, Visa Inc. “In fact, a recent Visa review of fraud cases found that small businesses account for the vast majority of credit and debit card data breaches.”

Mr. Cline says he wrote “Take Charge” to help businesses avoid common, inadvertent, mistakes that contribute to credit and debit card fraud. He says his book targets “Level 4” merchants, which are businesses that handle fewer than 1 million total credit and debit card transactions and fewer than 20,000 online transactions annually.

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