

Cybercrims Love Crisis

Among the interesting articles that cross my desk each day, one recently stood out as security magazine, **DarkReading**, reported that cybercriminals would benefit from the global economic crisis.

In fact they have already begun to capitalise on the crisis, attacking banks and online shopping customers, even switching their focus from credit cards to debit card fraud. Despite customers' efforts to be more security aware, the cybercrims are already one step ahead it seems, luring unsuspecting US customers to "bank sites" that purport



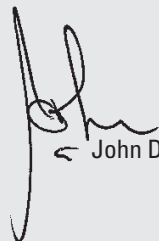
to provide information on recent bank bailouts, mergers and takeovers

The FBI says: "...financially based cybercrime is recession-proof... the only thing that changes is the way they go about obtaining their information." As business leaders focus on their finances and global economic impacts, specific attacks are targeting CEOs and CFOs, pretending to come from the US Justice Department, but were socially engineered attacks designed to gain corporate and personal financial information.

Increasingly at Senetas, both here and abroad, we see businesses lifting their focus on both financial security and information privacy through encryption, which renders information unintelligible should it be intercepted. While there has been significant attention to securing the perimeter of businesses, both physically and electronically, any time they interconnect to the outside world there's a risk that information could be lost.

We are aware, for example, of two regional incidents where hundreds of millions of dollars were stolen in seconds by Man-In-The-Middle attacks as cybercrims got between corporate treasuries and their banking partners using a readily available fibre tapping device.

To misquote a former Prime Minister: Be alarmed... and be alert!


John DuBois



FUJITSU

CypherNet from Fujitsu

"We believe this is a great opportunity for Senetas to broaden its reach and clearly Fujitsu recognises the potential opportunity to market a world-leading high speed network encryption platform alongside its leading IT and communications solutions," Senetas CEO John DuBois comments on the recently announced decision by Fujitsu to resell CypherNet.

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Senetas low-cost encryptor opens new markets

Senetas, the world's leading developer and supplier of high speed network encryption has announced the release of CypherStream, a new low-cost encryption platform that will increase its addressable global market.

The purpose-built standalone low-cost encryptor, priced from \$3500, had a smaller desktop form factor, but was fully interoperable with the Senetas CypherNet platform, said Senetas CEO, John DuBois

The aggressive move by Senetas sets a new price/performance benchmark and is targeted at enterprise head office/branch networks, professional firms, SMEs and organisations who want unsurpassed data security and hardware tamper protection for financial or personal information.

Mr DuBois said CypherStream had been specifically designed to provide a cost-effective secure connection between low-speed branch office networks and head offices where high speed CypherNet devices can manage more than 500 CypherStream simultaneous secure sessions.

"We identified an opportunity to provide more flexibility in our price/performance offerings especially at lower speed," he said, noting that the new product remained fully backwards compatible with CypherNet key management, encryption and console management.

CypherStream, built with switchable network capability will initially be offered as a Layer 2 Ethernet device running at 10 Mbps, but it can also secure IP networks. Using standard AES 128/256 bit encryption algorithms, CypherStream can be optioned with customised algorithms, a need identified in discussions with customers in Asia and Europe.

"Our initial release is targeted at low speed links – up to 10Mbps – and we deliberately chose to develop this product in a small desktop form factor, rather than our usual 19" rack-mounted form.

"However, size does not limit performance of CypherStream, and we will be following up this device with one capable of achieving a throughput of several hundred Mbps.

"We have great expectations for both direct and channel sales of CypherStream because but it targets a new market segment, new geographies and offers a customised algorithm option. Meanwhile we



continue to commit significant resources to CypherNet, our dual-accredited high-speed platform, in a program of continuous improvement," Mr DuBois said.

Mr DuBois said CypherStream had undergone customer trials in Asia and Australia.

Change of Engineering Leadership



With the decision by our Engineering Manager, Colin Campbell, to make a lifestyle change to the Dandenong Ranges and to seek employment closer to his new home, Senetas will have a new Engineering Manager.

CEO John DuBois applauded the leadership Colin had shown and his attention to detail during a period of significant product refinement and expansion and wished him well in future. He announced a promotion from within and John Weston (pictured) will assume full responsibility for Senetas Security encryption product engineering following the handover period. John has over 18 years experience in Engineering, with a focus in Research, Development and Product Delivery. He joined Senetas in 2005 as a lead R&D Engineer and thus brings to the position a solid understanding of the current and future product offering.

Senetas Sponsors IBM Tivoli Nation

Recently Senetas was a proud sponsor of the IBM Tivoli Nation event in Sydney during July.

The annual two-day event attracted 572 attendees and consisted of 80 strategy and technical break-out sessions, 22 international speakers and 14 customer case studies. The event covered the latest Tivoli technology, IBM Tivoli acquisitions, and best practice case studies from Australian and New Zealand companies.



The Senetas stand received a lot of interest, with a number of new Tivoli customers stopping to find out about the Senetas portfolio of consulting, training and sales capabilities – a unique combination in the IBM channel.



Many of the "seasoned" Tivoli users also stopped for a chat, as many of them have attended Senetas training for their IBM Tivoli certifications or used Senetas consultants to deploy their Tivoli products.

IBM Accreditation Awarded

Senetas has been named by IBM as one of its accredited Tivoli Deployment partners, recognising organisations "who have made significant investments in developing their skills".

The new program is designed to enable customers to recognise IBM business partners who have the highest standards in technical certifications for delivering Tivoli solutions in specific areas.

Senetas has achieved the deployment accreditation status for Tivoli Storage Manager, Tivoli Monitoring and Tivoli Identity Manager, where it achieved a AAA rating. The AAA rating indicates that a partner has at least two Certified Solution Advisors in a solution area, three Certified Deployment Professionals in an individual product and Advanced Deployment Certification in a solution area.



Senetas' Consulting team (L-R) Simon Galbally, Doris Marr, Larry Wilson - GM Consulting, and Elliot Raboy.

Training Update

2008 has been a year of change for the Senetas Training Business portfolio. Virtually every course in the Security and Storage areas has been updated and, at the same time, IBM has been revising its course numbering convention to bring the AITP codes (that Senetas uses) in line with the IBM World Wide codes. This has meant that many courses have changed both their course code and course name which has led to a lot of confusion. However, Senetas has taken care to advise its students of these changes to ensure that students attend the correct courses for their needs. Senetas is also developing an improved Web Site to assist existing and prospective customers to be able to research online the training that is available and to be able to easily book into their selected courses. Of course, we will continue to provide advice and assistance as required.

Senetas continues to invest in its people. The update of training courses usually means that our instructors need to recertify in the appropriate products before they can teach a new version. This will often involve a period of study (on product and course changes) followed by the instructor sitting an exam to achieve certification. We have done this for all the course changes mentioned above and customers can be confident that they will continue to get a very high quality of instruction when they attend a Senetas course.

Customised training programs continue to be an area of focus for our customers. We have conducted a number of training assessments for customers resulting in programs that are targeted to specific needs that have been identified. For these customers we often extract specialist subjects from several different courses and combine them with material that we have developed to produce exactly what the customer requires. This means the students don't waste time on generic courses that cover material that is not really required which, in turn, means cost savings and highly effective outcomes.

Jim Foster, Training Manager

Business Intelligence Health Check BI? No! Business Intelligence – Yes!



For more information call
Senetas on (03) 9868 4555

Senetas releases innovative new products, broadens market reach

Following the release earlier this year of three new CypherNet products, Senetas is now in customer testing in Australia and Europe with its 10 Gigabit Ethernet and Fibre Channel encryptors.

CypherNet Fibre Channel is designed to secure communication between Fibre Channel devices and protect information in transit over Fibre Channel, typically in Storage Area Networks (SANs); CypherNet 10 Gb Ethernet, a new ultra high speed version of Senetas' popular Ethernet encryptor secures Point to Point 10 GbE LAN, MAN and SAN networks via Layer 2, providing maximum bandwidth; and CypherNet Gemini, a 10/100 Mbps and 1 GbE Ethernet based encryptor capable of both Layer 2 and industry standard IPsec Layer 3 encryption, switchable via a command interface.

Senetas CEO John DuBois said the addition of the new products, which had been developed in Melbourne over the past 12 months, would significantly increase the addressable market for Senetas and its international partner community.

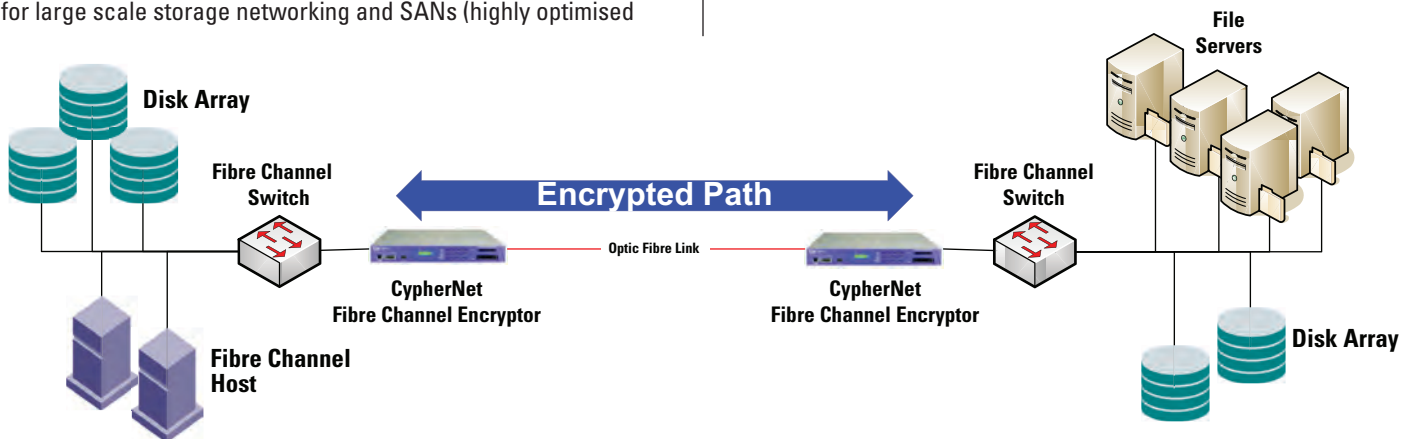
Proof of concept testing by Australian enterprise customers as well as financial and government customers in Europe. Fibre Channel is the de facto standard interconnecting technology for large scale storage networking and SANs (highly optimised

networks for transporting huge data traffic between servers and storage devices, such as disk and tape drives) and with the advent of network virtualisation, remote backup and data storage centres, it is being used to carry more data over longer links.

"Data across these links is transmitted "in the clear" and thus vulnerable to unauthorised access or potential exposure to hackers, which could cost millions of dollars as well as the irreparable loss of reputation," Mr DuBois said.

He said the initial request for Senetas to address this new market came from European Fibre Channel customers, but Mr DuBois said, "we believe it is a phenomenon that equally applies in Australia, Asia and the Americas and with the design incorporating Single and Multi Mode Optical Interfaces for short and long haul transmission options, we can cover all geographies."

The addition of 10Gbps Ethernet was a natural extension of Senetas' high speed CypherNet capability from the popular 10/100 Mbps and 1Gb Ethernet product and he said Senetas would continue to watch the development of new standards in network topology and speed.



DSD's Rigorous Security Evaluation

In June 2008 The Australian Government's Defence Signals Directorate (DSD) announced it had completed a rigorous security evaluation of Senetas' CypherNet.

DSD Director Ian McKenzie said Senetas' high-speed, standards based multi-protocol encryptor specifically designed to secure voice, data and video information met "the strict information security needs of government".

Mr McKenzie and his directorate hosted a formal meeting in Canberra to recognise Senetas and said: "Government departments need assurance that there will be appropriate levels of protection for their information that doesn't impede their day to day business. The Australasian Information Security Evaluation Program (AISEP) provides that level of assurance."

The exhaustive evaluation process of the CypherNet family of products involved many of Senetas' team of 25 engineers over the past two years and it was now the only Layer 2 encryption product on the Australian Government's Evaluated Products List.



John DuBois with DSD Director Ian McKenzie

Fujitsu signs as CypherNet reseller



Senetas has signed a reseller agreement with Fujitsu New Zealand Ltd, under which this subsidiary of the giant global IT company will be the first to sell Senetas CypherNet encryption products.

The agreement was signed by Senetas CEO, John DuBois with Fujitsu New Zealand Limited General Manager Sales and Service Delivery, Jo Healey, in September.

Mr DuBois welcomed the agreement saying Fujitsu was one of the world's major technology companies.

"We believe this is a great opportunity for Senetas to broaden its reach and clearly Fujitsu recognises the potential opportunity to market a world-leading high speed network encryption platform alongside its leading IT and communications solutions," Mr DuBois said.

"We look forward to working with Senetas and are excited to be taking their advanced encryption technology to the market through our nationwide sales and support network," added Healey.

Fujitsu is a leading provider of IT-based business solutions for the global marketplace. With approximately 160,000 employees supporting customers in 70 countries

ITDC: CypherNet reseller for Thailand

Senetas has signed a reseller agreement with IT Distribution Company Limited (ITDC), a publicly-listed company in Thailand, for Senetas CypherNet high speed network encryption products.

The agreement was negotiated in October in Bangkok by Senetas CEO John DuBois with Khun Adisorn Singluedej (pictured right), Vice President of ITDC, which specialises in IT Security and a range of other enterprise solutions including Networking and Infrastructure, Network Management and Performance Improvement and Storage.

Mr DuBois said that Senetas had worked in Thailand during 2008 to identify a suitable reseller, meanwhile introducing its CypherNet Encryption Security Platform to a range of government departments and agencies, Thai military and law enforcement, plus finance and banking enterprises.

"So far we have been successful in selling and implementing our CypherNet Cerberis hybrid quantum encryption system at the influential government agency NECTEC (National Electronics and Computer Technology Center), which is responsible for the development of

Information Technology and ensuring Thailand's competitiveness in the sector," Mr DuBois said.

He said NECTEC's use of Senetas encryption technology and its ability to act as a reference site for both government and enterprise customers was a significant advantage in marketing CypherNet in the Kingdom. He said planning was already underway for a series of joint presentations and security workshops with ITDC and NECTEC to educate and inform Thai business and government agencies regarding the best methods to manage growing information security risks in the region.

Khun Adisorn said: "Senetas as a world leader in high speed network encryption and we believe there is great opportunity to expand the use of globally-accredited encryption in Thailand. ITDC has a group of network and system integrators who act as our resellers to both government and enterprise customers nationwide."

Mr DuBois said Thailand's computer network infrastructure, particularly in bank headquarters in Bangkok, had been updated recently to be on a par with Australia.

"We have already identified sales opportunities for our range of high speed devices, running at up to 10 Gigabits per second, and for our new Fibre Channel encryption to secure Storage Area Network data in motion," Mr DuBois said.



CASE STUDY – Senetas proves its worth for Würth



Senetas has successfully implemented an accounting solution for Würth Australia that gives the mid-sized distributor of automotive and engineering consumables, a more dynamic view of its Australia-wide business.



Eric Juebner, Würth Managing Director

Last year Würth Managing Director, Eric Juebner split his business into three companies (Würth South in Melbourne, Würth West in Perth and Würth North in Brisbane) for logistic and accounting purposes.

Senetas was briefed to re-implement an existing Microsoft Business Solutions -Dynamics GP financial solution in a new way across the businesses.

Würth has 10,000 SKUs, services 40,000 customers in automotive, cargo, metal and construction with 350 sales staff and often issues more than 1500 invoices a day.

Eric Juebner says the decision to split the business in three was designed to create a greater sales dynamic and service customers faster.

Eric explained that his sales team calls weekly, fortnightly or monthly on every customer, including many remote tradespeople, farmers and mining customers, transmitting orders to the central Melbourne warehouse, which were then picked and despatched. Following the establishment of the three geographic businesses and construction of warehouses in Western Australia and Queensland, he said Würth was able to improve its customer service by delivering orders much faster.

But to achieve the change allowing greater vision of the companies' performance, required major changes to the finance solution

David Taylor, Senetas Practice Leader for Microsoft Business Solutions was the project manager/team leader of a team of four who first integrated Würth Australia's ERP solution using Microsoft Great Plains in late 2001.

He explained that Senetas was asked in late 2007 to break up the accounting for Würth Australia into three companies.

"We chose to use the interfund module in Dynamics GP to keep the companies in one database but to be able to report each region separately, including distinct balance sheets," David said.

Using one database made sense because Würth maintained one bank account; national account customers who might make

purchases in each location (South, West and North) pay from a central location; without interfund, receipting of customer receipts would be cumbersome and difficult to maintain as there would be a number of intercompany transactions, receipt would be recorded as multiple receipts which would not provide adequate audit trail.

"The benefit of our approach was that it allows for a centralised debtors ledger where sales representatives can sell to multiple customers, even customers who may be in another location. And it also allowed for a centralised creditors ledger, thus maintaining economies of scale and shared services without the burden of each location requesting specific invoices," David said.

Account posting and staff segregation was also maintained within the current Dynamics GP security system.

Eric Juebner, said the new system was needed to keep pace with sales and maintain visibility of a national sales network that included some very remote customers to whom equipment repairs were critical.

He said sales growth rates exceeding 15% per year over the past five years were "testament to the quality of our products and services".

Using the Dynamics GP suite of integrated business management solutions for financial, supply chain and customer relationship management provides a level of reporting across Würth's diversified and geographically dispersed business to ensure timely and accurate business planning, as well as reporting required for compliance.

Part of the global Würth Group, established as a wholesaler of screws, nuts and bolts in Germany in 1945, Würth Australia is now one of 400 companies in 86 countries.



A typical Würth automotive parts kit