

A large, faint fingerprint graphic is positioned in the upper left corner of the slide, partially overlapping a vertical grey bar.

DigitalPersona

Case Study: Department of Defense



U.S. Department of Defense



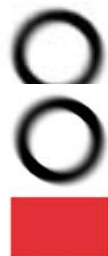
Background:

- Began migration to smart cards
- Experienced skyrocketing password reset costs
- Needed immediate NIAP/NIST compliant solution



Using DigitalPersona Pro, The Office of the Secretary of Defense:

- Enjoyed COTS, out-of-the-box integration with Microsoft Active Directory
- Accelerated their pursuit of multi-factor authentication
- Reduced related help desk calls – report 90% reduction
- 1300+ desktops since September of 2003, further deployments underway



DigitalPersona - The Company

- Founded in 1996 by former Logitech Executives and MIT/Caltech Graduates.
- Privately held Venture backed
 - Intel, IDG Ventures, Kensington, VantagePoint Ventures.
 - \$12M round in January
- Employees – 85
- Headquartered in Redwood City, CA
- Strategic Partnerships
 - Microsoft
 - Intel Development Partner
 - Verisign
 - Channel partners, Dell, HP, Gateway, GTSI.



User Authentication

Something You Know

- Chosen by user
- Most can be cracked from hash
- Typically written down
- Policies breed confusion
- Entered via untrusted device
- Typically cached on local PC

Can be easily changed

Something You Have

- Requires PKI infrastructure
- Software modification
- Need to carry something
- Costly to maintain
- Cannot ensure access isn't from malicious code
- Still requires a PIN

Strong cryptography

Something You Are

- Trust is based on securing match process
- Biometrics are not a secret themselves, but instead provide access control to a secret

Security not dependent on user

No security approach is a magic bullet – each addresses a different type of threat.

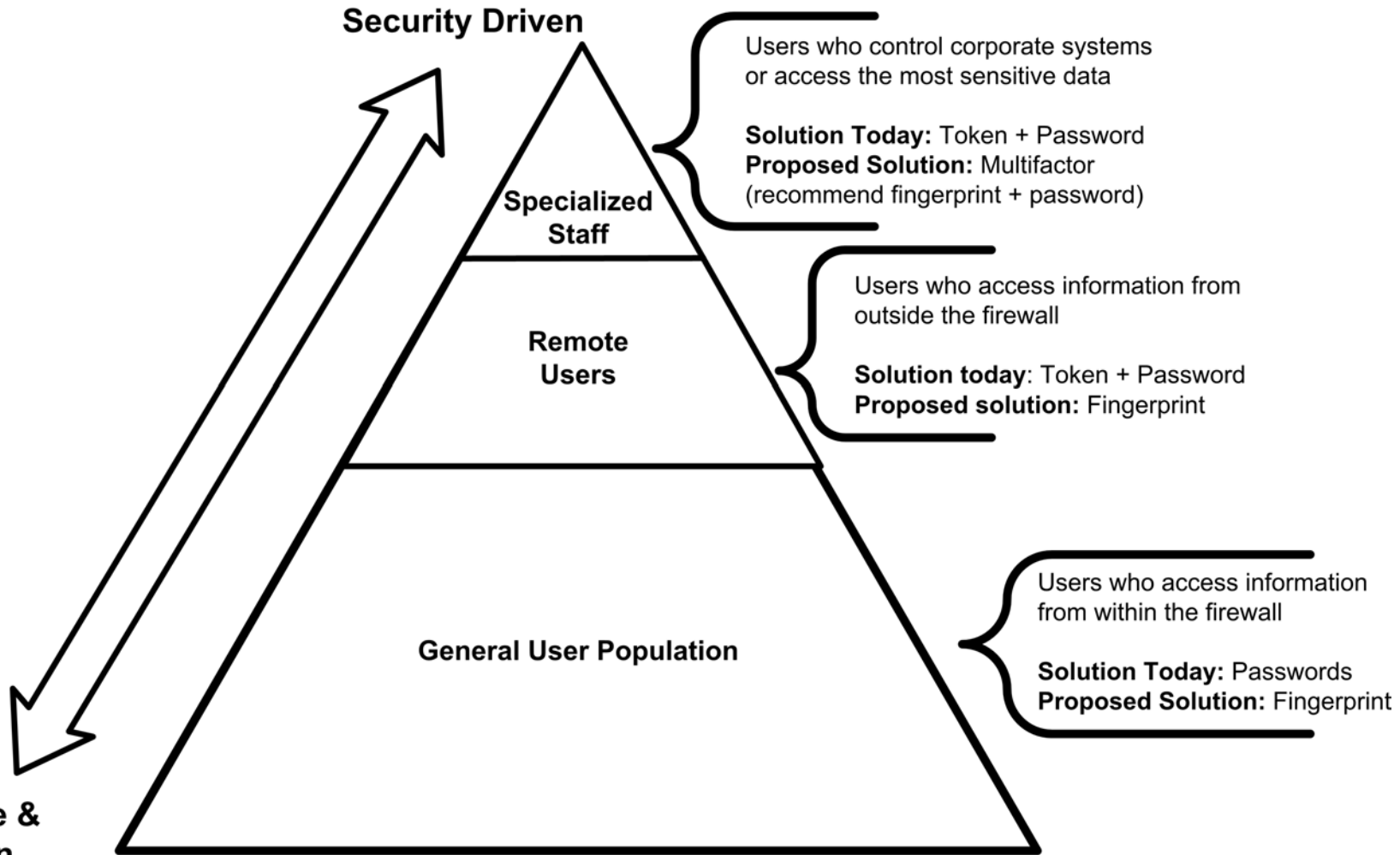
Conventional Security

-Profiling the Risks & Costs-

- **Four out of 5 workers will disclose their passwords to someone in the company, when asked**
PentaSafe Security Technologies; Cnet News, 2002
- **Employees pose 2x greater threat to a company's technology infrastructure than external, non-employees**
CSO Magazine Survey, 2002; CXO Media Inc.
- **71% of computer fraud is due to unauthorized inside activity**
CSO Magazine Survey, 2002; CXO Media Inc.
- **\$328k is the average loss attributable to a security breach/fraud**
2003 CSI/FBI Computer Crime Survey
- **Password support costs average \$150 per user per year**
SC Magazine, June 2003.



Practical Security Pyramid



The State of User Authentication:

Another looming problem, Gates said, is the password. "People hate changing their password," Gates said. "They pick very guessable passwords." The industry will have to move to smart cards or some kind of biometric recognition for authentication. "It will take five or six years," he said. "There's no doubt that has to come."

- Bill Gates, September 24, 2004

"The biggest threat to the security of a company is not a computer virus, an unpatched hole in a key program or a badly installed firewall..."

The weakest link in the chain is the people"

- Kevin Mitnick; Oct 2002, BBC Interview

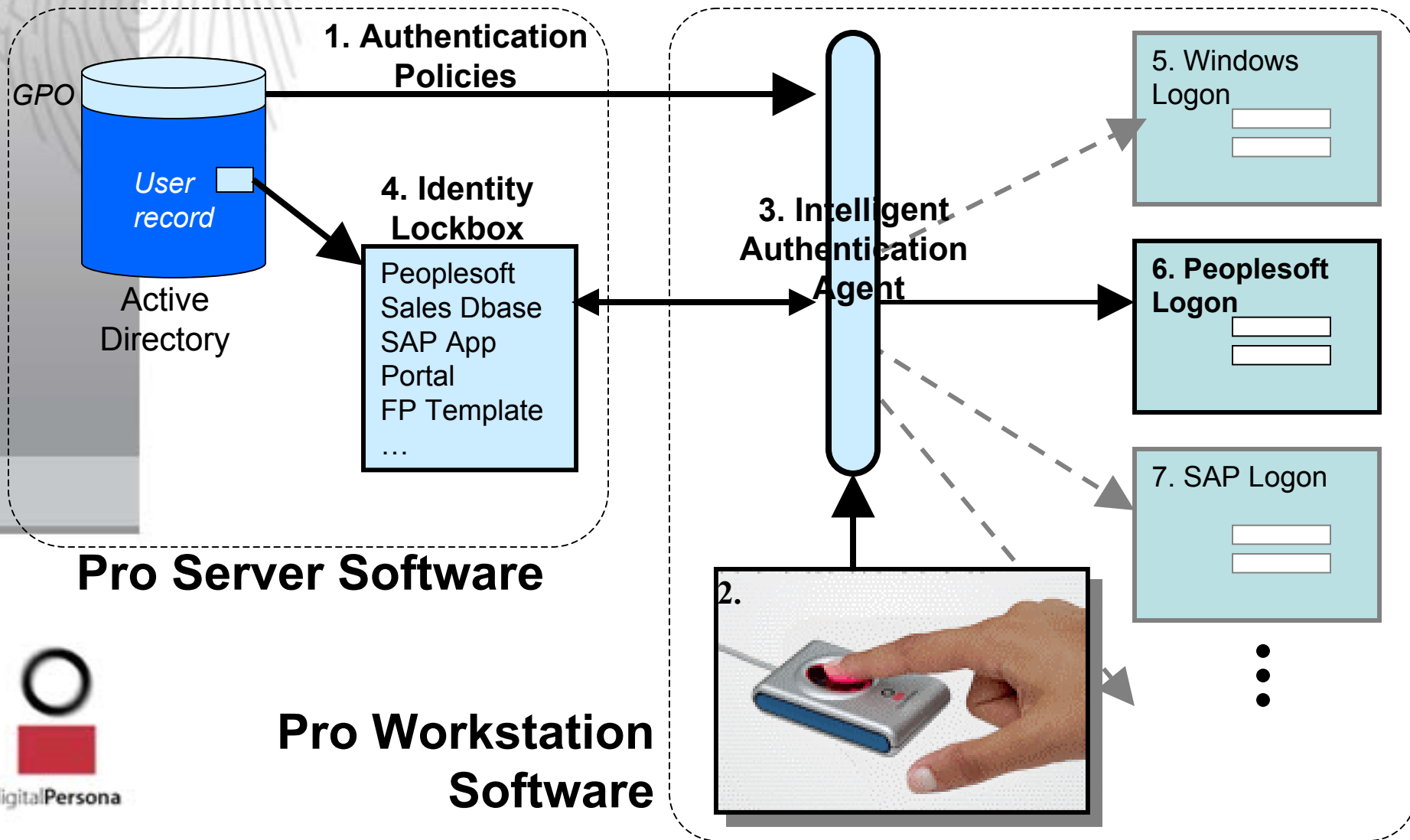
DigitalPersona Pro for Active Directory

- **DigitalPersona Pro's innovative approach to Biometric Enterprise Authentication uses fingerprint recognition technology to:**
 - **Reduces Costs** - Eliminate password related help desk overhead
 - **Increases Security** - Address “Inside the firewall” security vulnerabilities
 - **Increases Convenience** - Added convenience automatically creates end-user secure behavior
 - **Enhances Compliance** - Address major security/privacy regulations

**Biometric Enterprise Authentication
= Single-Sign On that works -**



DigitalPersona Pro 3.0: Architecture





Secure

Low Support Cost

Convenient

Secure ID Tokens

Password Self Reset

Biometric Authentication

Single SignOn, Identity Mgmt

Traditional Password Authentication



Crossing the Chasm....

Microsoft

PressPass - Information for Journalists

Microsoft and DigitalPersona Will Collaborate on Biometric Solutions

Companies Team Up to Offer Technology in Select Future Products

REDMOND, Wash., and REDWOOD CITY, Calif. -- Feb. 17, 2004 -- Microsoft Corp. and DigitalPersona Inc. today announced that DigitalPersona has been selected as a preferred supplier for integrating biometric technology in select future product offerings from Microsoft.

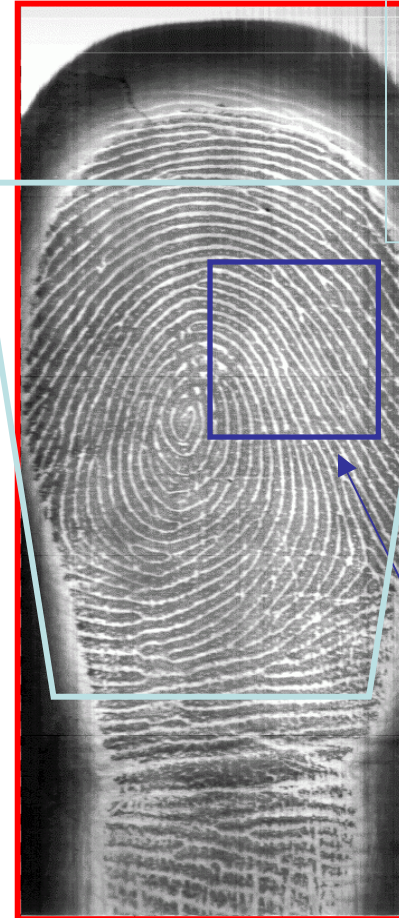
"We are proud to help Microsoft serve its customers better by offering this technology," said Fabio Righi, CEO of DigitalPersona. "By working together, we can help make biometric products more convenient and available for users."

Specific product details will be made available later this year.



Optical Fingerprint Capture

- Optimal accuracy. Captures large area of fingerprint which provides more data for high accuracy and ease of use.



URU4000 Fingerprint
Capture Area
18.16 mm x 14.6 mm
(on centerlines)
512 dpi, avg.

Competition's
Silicon Sensor
Capture Area
6.5 mm x 6.5 mm
500 dpi



Recognition Accuracy

- Standard setting:
 - <0.001% False Accept Rate
 - <1.4% False Reject Rate (single try)
- Zero errors in International Biometrics Group comparison testing.

Those figures based on U.are.U 4000, an adult office population, verification over 6 weeks, and tested in accordance with 'Best Biometric Testing Practices' Prof. Wyman (SJSU, NIST)

First visit results with wide demographic sample. Please purchase test report for full comparison.



Example DigitalPersona Deployments

Charles Schwab & Co, 14,000 seats deployed

Rite-Aid, 10,000 seats deployed

TelMex, 16,000 seats deployed

U.S. Dept. of Defense, 3,000-5,000 seats
deployed

potential in the Millions of seats

Albertsons, 15,000 seats to be deployed

Sutter Health Hospitals, 5,000 seats deployed

Italy Ministry of Finance, potential 20,000 seats

Hospital Drug Dispensing Application,

>45,000 units

Banco Azteca (Mexico), 4,500,000 users

