

CASE STUDY: DENMARK HOW DID DENMARK EFFECTIVELY REDUCE ATM SKIMMING ATTACKS?

Denmark

- Population 5.6 million
- Facts and figures: <http://denmark.dk/>
- Voted the world's 'Happiest country'!

ATM network

- 2,607 ATMs (Source: Danish Bankers' Association)
- Main ATM manufacturers - NCR, WNI and Diebold

Challenges

- Growing risk of ATM skimming
- Fraud related cash losses
- Threat to consumer convenience

Solution

- TMD Security Card Protection Kit (CPK+)
- Fujitsu and TMD collaboration

Results

- Skimming has stopped where CPK+ deployed
- Reduction in fraud related losses
- Independent validation of CPK+ technology

Industry partners help banks fight fraud

Most banks in Denmark have come through the recent financial crisis. They are well-capitalised and resilient to severe macroeconomic shock but many still have a low return on equity and high costs. Operational efficiency remains a priority including minimising the costs associated with the growing risk of card fraud.

There are over 2,600 ATMs installed in Denmark. With over 65% of those ATMs in its service portfolio, Fujitsu is the leading ATM services partner in Denmark. Fujitsu's ATM services include installation and maintenance. Also, ATM deployers look to Fujitsu to provide best practice risk management advice and security features such as anti-skimming technology.

After extensive industry evaluation, Fujitsu invited TMD to become its security technology partner in 2012. It is this collaboration between TMD and Fujitsu that has helped Denmark effectively defend its ATMs against skimming.

'ATM skimming continues to be the number one security priority and deployers rely on us as their service provider to give them solutions, support and industry insight to stay ahead of the latest fraud risks. Our partner TMD Security helps us achieve that' says John Johansen, Field Service Product Engineering Director, Fujitsu.



“DEPLOYERS RELY ON US AS THEIR SERVICE PROVIDER TO GIVE THEM SOLUTIONS, SUPPORT AND INSIGHT TO STAY AHEAD OF THE LATEST FRAUD RISKS. OUR PARTNER TMD SECURITY HELPS US ACHIEVE THAT.”

John Johansen, Field Service Product Engineering Director, Fujitsu

Skimming number one security priority

The global cost of ATM card skimming is estimated to be over \$US 2 billion annually and it continues to grow. Cash losses amounted to over €241.5 million in Europe (EAST) in 2013, representing 97% of total losses associated with ATM fraud and average losses per skimming incident rose 15% to €41,500 (\$US 57,000).

However, banks in Denmark have managed to reverse these trends locally. With a rise in skimming incidents bringing increasing losses and the risks of impacting cardholder loyalty and trust, it became clear that an effective risk management strategy was needed. Fujitsu and TMD Security began their collaboration in 2012. Fujitsu has now installed active anti-skimming protection on 65% of the ATMs in its portfolio, approximately 1,100 ATMs. Those ATMs have been successfully defended against skimming and plans are underway to roll out CPK on more ATMs.

Confidence through independent validation of technology

As a trusted service provider, Fujitsu had to validate its recommendations and make sure that its banking partners make the right investment decision when it comes to anti-skimming technology.

Fujitsu engaged FTR Solutions, an independent Consultancy and member of EAST's Expert Group on ATM Fraud (EGAF), to conduct comparative analysis testing of a number of anti-skimming solutions. These tests were based on actual criminal methodology and designed to determine whether card data could be read in clear using digital, analogue and stereo skimming techniques.

The results of this testing provided Fujitsu and its customers with proof that while most anti-skimming solutions offer some protection against digital skimming, the only effective defence against analogue and stereo skimming is TMD's Card Protection Kit (CPK+).

'Our clients trust us so we have to make sure we recommend the most effective anti-skimming solution,' says Claus Hansen, Client Executive Director, Fujitsu. 'Independent testing, as well as actual results, prove that TMD's CPK+ delivers the best protection against all types of skimming.'

Effective defence plus operational efficiency

TMD's approach to anti-skimming with CPK+ uses an active electromagnetic jamming signal that protects the data on the magnetic stripe from compromise during an attack, without the ATM having to be taken out of service.

'Our customers like the fact that they can either manage the state-of-health of the CPK+ as a stand-alone device via the silent alarm or in a USB environment they can integrate it into their ATM management system,' says John Johansen.

TMD & Fujitsu's continued customer focus in fighting fraud

The strong co-operation between Fujitsu and TMD delivers a number of customer benefits.

TMD solution training and support mean that Fujitsu is expertly positioned to install and service CPK+, giving its customers peace of mind.

TMD also works closely with Fujitsu providing insight on the latest fraud incidents and trends. This fast and proactive approach to fraud management enables deployers to make informed decisions on the best security technology and risk mitigation best practice.

'We know that criminals do not stand still. Beyond ATMs, we also see card fraud moving to new targets such as self-service payment terminals,' says Claus Hansen. 'We plan to continue to work with TMD to help our clients in all sectors reduce the risk of skimming'.

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Claus Hansen, Client Executive Director, Fujitsu
