



The Risk Mitigator

January 2012

*"A successful man is one who can lay a firm foundation
with the bricks others have thrown at him."
David Brinkley*

EVENTS

ATM Industry Association (ATMIA) Annual Conference & Expo

Join top ATM industry experts and companies who come together to share information on best practices, industry trends, new innovations and technology, security and risk management, new products/functionality, etc.

Visit L&A's booth #606 and see Mark Lowers' presentation entitled, *Cash-in-Transit Best Practices*, on Thursday, March 1st at 3:30PM.

**February 29 - March 2, 2012
Grand Hyatt San Antonio
San Antonio, TX**

<http://www.atmiaconferences.com>

International Commercial Cash Operations Seminar (ICCOS)

ICCOS, a seminar for commercial cash management, distribution, and circulation brings together stakeholders in cash circulation to share perspectives, ideas, cost saving technologies, strategies, best practices, and case studies.

Discussion topics will include dealing with tight budget control challenges, staying connected with your cash handling peers, and learning about the latest, cash-focused solutions.

**March 11-14, 2012
Hotel InterContinental Miami
Miami, FL**

FEATURE ARTICLE

Protecting Your Business Interests: Social Media Investigation

Steve Yesko
*Director, Sales & Marketing
Lowers & Associates*

Lowers & Associates ("L&A") has a long history of providing corporate due diligence investigative services that help business owners/management make sound decisions as respects the people and entities they choose to do business with. For our corporate customers, our due diligence investigations provide valuable insights on vendor/franchisee affiliations, joint-ventures, partnerships, M&A targets, and the key individuals (ownership and the C-suite) behind them. In short, in today's economic and regulatory environment, businesses can ill afford to involve themselves with individuals or organizations whose history or activities run counter to their best interests.

With the proliferation of the Internet, and the increased use of social networking in our daily lives, L&A began to augment its traditional media research with Social Media Investigation (SMI) services as a means of gathering relevant data that our customers use to make informed decisions about the people their businesses encounter on a day-to-day basis. Like our corporate due diligence services, our SMI services provide our clients with an unbiased, third-party point of view of a subject's social media postings, personas, and on-line activities. Our staff is made up of trained investigators, people who're able to see, interpret, and connect things found on-line that an untrained eye might miss or disregard. By way of researching publicly available and freely submitted on-line content or commentary posted by individuals whose interests may run counter to those of our clients, L&A provides actable information to help satisfy the decision-making needs of compliance, legal, human resources, and other business stakeholders.

By combining our social media/media research and investigation with our experience in loss/claims investigation, due diligence investigations, background screening (via Proforma Screening Solutions), and criminal records research (via Wholesale Screening Solutions), L&A has developed the ability to deliver a broad array of timely, pertinent, and useful company/subject-

<http://www.americas.iccos.com>

DID YOU KNOW?

Social Media Statistics

Americans spend almost 25% of their time online on social networks and blogs.

53% of employers research potential job candidates on social networks.


Over 34% of the employers said a social networking profile proved they had lied about their qualifications on their resume.

13% claimed a potential employee had made discriminatory comments on their Facebook page.

9% said provocative or inappropriate photographs had been posted on the account.

 Google holds the search engine market share at 65.9%.

15% of all searches on Google are new.

 In terms of search queries, for the first time in December 2011, Bing overtook Yahoo with a 15.1% share.

 Yahoo search queries for December 2011 were 14.5%.

Since Bing powers Yahoo, their combined share of searches was 29.6%.

 In the U.S., there are 149M active Facebook users, 70% log in once a day.

Facebook accounts for 8.93% of all website visits in the U.S.

specific information to our customers. Collectively, the Lowers Risk Group – L&A, Proforma, and Wholesale – helps to answer the increasing need for more reliable and credible information with which to make a wide variety of ever more important business decisions.

Each SMI is comprised of two main categories: 1) free on-line resources, and 2) pay per view/print informational databases. The free, on-line social media resources that will be utilized in each investigation include (but are not limited to) the following sources:

- Search engines (e.g., Google, Bing, etc.)
- Facebook / MySpace
- LinkedIn
- Twitter, Hulu
- You Tube video channels
- MessageBoard accounts and discussions on web forums (e.g., college, hobby, interest, or organization specific boards/blogs)
- Newspaper & Media commentary (i.e., subjects op/ed comments)
- Miscellaneous other sites (e.g., Classmates)
- Blogs / Tumblr
- Flickr
- Friendster
- Google / Yahoo Groups

With a two-tier service offering, as well as optional services, L&A is able to meet the case-by-case basic and extended research needs of our clients. The Base Package focuses on social media research only, whereas the Extended Package includes both social media research and/or traditional media searches (e.g., newspaper articles). Details of both the Base and Extended Packages, as well as some of the optional services that are available, are as follow:

Base Package Outline, including:

Review of the personal information of the individual or subject being investigated.

- Informational database search on name(s) of subject. This search will confirm the subject information (or uncover additional information) supplied by the client. This search may identify the following information:
 - Name / Alias confirmations
 - DOB / SSN (truncated)
 - Address history confirmation
 - Potential employment history
 - Voter registration
 - Corporate registration(s)
 - Basic information on criminal record and/or civil actions, tax liens, and judgments
- The Social Media Investigation is conducted.
- Preparation of Base Package Report, including preliminary findings and recommendations.
- Delivery of Base Package Report to the client within 2-3 business days of case assignment.

Extended Package Outline, including:

Visits for all of Google's properties including YouTube, Gmail, and Google account for 9.85%.

By 2012, half of the world's Internet users, 1 billion people, will have a Facebook account.

Facebook's fastest growing demographic is 17-35 year olds.



As of March 2011, Twitter boasts 175 million users.

95 Million Tweets are generated per day.

17% of U.S. online customers have created a Twitter account.

48% of Twitter users check their account at least once a day.



LinkedIn operates the world's largest professional network on the Internet with more than 135 million members in over 200 countries and territories.

59% of LinkedIn members are currently located outside of the U.S.

There were nearly four billion people searches on LinkedIn in 2011.



YouTube is the third most visited website in the world.

YouTube is the second largest search engine in the world.

More than 24 hours of video is uploaded to YouTube every minute.

YouTube receives over 3 billion views every day – 1 in 4 Americans watches a video online every day.

- The option to expand the SMI based upon the information provided in the Base Package Report and/or the option to supplement the social media research with a [traditional] media search (e.g., newspaper, magazine, etc.) on the subject.
- Additional research billed at an hourly rate, plus any related media search expenses, i.e., any media articles that must be purchased (typically, a nominal fee per article).
- Preparation of Extended Package Report includes comprehensive finding and recommendations based upon the expanded social media research and/or the [traditional] media search options.
- Delivery of Extended Package Report to the client within 3-5 business days of extended assignment approval.

Optional Services:

Corporate / Key Individual Due Diligence Investigations

As mentioned in the opening paragraph, L&A's due diligence investigations are designed to help our customers make careful and prudent inquiries of parties (key individuals and/or organizations) involved in any prospective arrangement in which the client could suffer serious harm, usually financial, if the other parties are unscrupulous. The methods, scope, and ultimate information desired depends upon the client's comfort zone.

One method is to make direct and overt inquiries. This means that subjects of the investigation will become aware of the inquiries being made. In such instances, the subjects usually sign a release allowing a broad investigation to be conducted, particularly on financial, criminal, and military matters.

Another method is to conduct portions of or all inquiries covertly. This means that such inquiries are made in a way that subjects of the investigation would not become aware of the inquiries. This is a more difficult and obviously delicate form of investigation. It has certain limitations such as the unavailability of signed releases. However, this type of inquiry is feasible and can be productive in most cases.

L&A's due diligence analyses provide the basis for determining whether to establish or continue a business relationship, change negotiating tactics, or abandon an affiliation between two or more parties. Our focus is on state and federal regulatory sanctions, civil and criminal legal actions, as well as international regulatory compliance (e.g., Foreign Corrupt Practices Act (FCPA); US Depts. of State, Treasury, & Commerce). Due diligence can be a stand-alone feature service or it can be an added value service to other L&A services.

Lastly, pricing for our due diligence investigation services varies depending upon the subject individual(s) and/or organization(s) and the scope of effort [which can change] being sought by our clients on an assignment-by-assignment basis.

Pre-Employment / Background Screening Services

Background screening is at the forefront of most human capital



Marketing using Message Boards and YouTube has a success rate of 93%.



Tumblr has over 35 million blogs to date and over 13 billion posts.

Globally, Tumblr saw growth from 10 to 90 million monthly unique visits in the past year, and 218% growth in the U.S.

2% of the users make up 43% of total visits to the site.

42% of posts are photos.



Flickr is an image and video hosting website acquired by Yahoo in 2005.

In June 2011, Flickr had a total of 51 million members and 80 million unique visitors.

Flickr hosts over 5 billion images.

Blogging By the end of this year, 43% of U.S. companies will be blogging.

61% of small business owners use social media to identify and attract new customers.

Sources:

- <http://www.karmasnack.com/about/search-engine-market-share/>
- www.hitwise.com
- www.dreamgrow.com
- <http://therealtime.com>
- www.wikipedia.com



risk management programs with over 90% of corporate America conducting some type of formalized screening of new employees. In today's workplace, businesses must act proactively to protect the safety of their employees, sensitive company information, and the reputation of their corporate brand. It's an unfortunate fact, that due to the high rates of screening in the workforce, organizations that do not screen become targets for those seeking to perpetrate crime. Now more than ever it's vital to the continued mission of the organization to meet these risks head-on with the type of comprehensive background screening program offered by Proforma Screening Solutions ('PSS').

The holistic PSS solution is centered around partnering with its customers in support the human capital risk management goals and objectives of the entire organization:

- To better understand and measure the organization's human capital risk.
- To ensure that sound background screening policies and programs are in place.
- To implement accurate, efficient, and cost-effective background screening solutions.
- To properly leverage background screening data within the hiring process.
- To help businesses maintain compliance with applicable hiring laws and regulations.

For more information about PSS and the pre-employment/background screening services they offer, please visit their website at www.proformascreening.com.

For more information about **Lowery & Associates** or any of the risk mitigation services that we offer, please visit our website at www.lowersrisk.com or give us a call today!

NEWS

2012: Year of the Skimmer Fraud Losses to Increase: Mag-Stripe Vulnerabilities to Blame

January 18, 2012

Fraud losses linked to card skimming are quickly hitting epidemic proportions. "Skimming fraud is an epidemic," says Mike Urban, who oversees product management for Fiserv's Financial Crimes division. "And it continues to grow every year."

Some big skimming cases have grabbed headlines in recent months.

[Read more...](#)

Cyber Risk Now in the Top Five Global Risks

January 18, 2012

Last year's report from the World Economic Forum placed cyber

security as 'a risk to watch'. In this year's study, the World Economic Forum Global Risks 2012, has elevated it to one of the top five actual risks.

The report from the World Economic Forum, discusses global risks "defined as having global geographic scope, cross-industry relevance, uncertainty as to how and when they will occur, and high levels of economic and/or social impact requiring a multi stakeholder response."

[Read more...](#)

Phishing Attacks Target Chase and Barclays Accounts

January 17, 2012

Accountholders at Chase in the United States and Barclays in Britain have been the targets of a rash of targeted phishing schemes.

Researchers at security firm GFI Software last month discovered customers at Chase had been targeted by phishing e-mails that provided links to spoofed Web pages that requested users submit sensitive online banking details.

[Read more...](#)

ARMORED CAR CRIME REPORT

See the [latest headlines](#) regarding armored car incidents.

Questions or comments?

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