The “Any Era” Has Arrived… And Everyone Has Noticed

Stratton Sclavos
CEO and Chairman of the Board

Where it all comes together.™

We Knew This Was Coming

19th Century

Railroads - Telegraph

20th Century

Aviation – Traffic Control
Telephony - SS7 Networks

21st Century

IP Networks –
Intelligent Infrastructure

+ ***New Infrastructures Reduce Time and Distance***
+ ***Transform Commerce and Communications***
+ ***Increase Global Productivity and Standards of Living***

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Any Era Transformation

	OLD	NEW
Communications		
Commerce		
Content		

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The Transformation Is Real

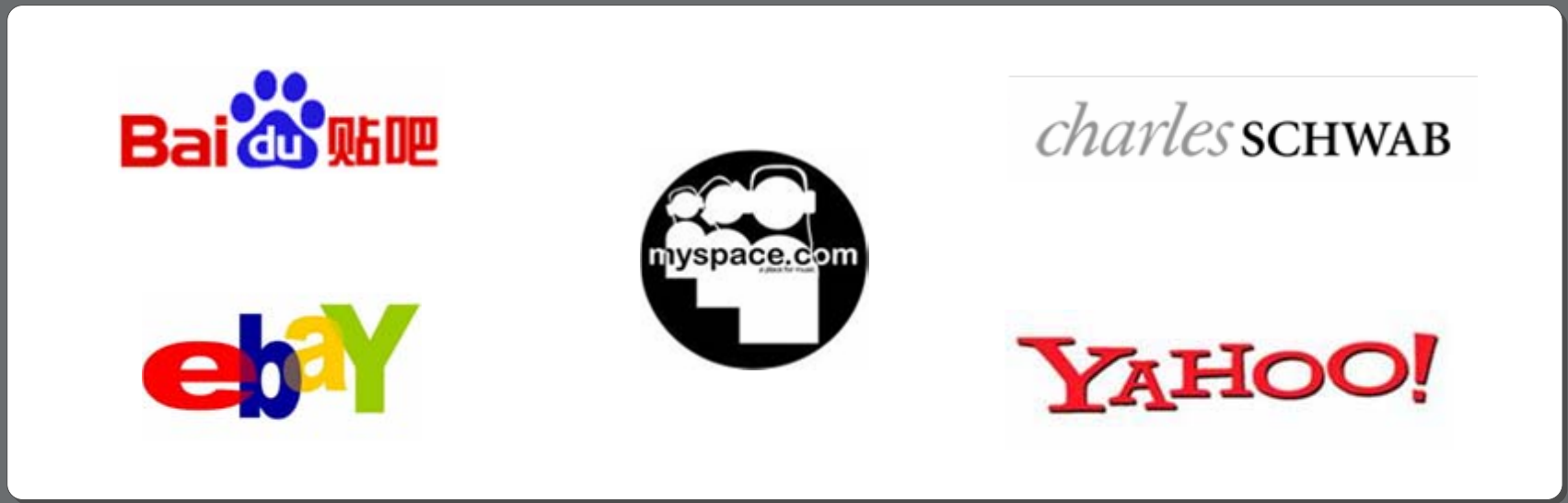
In the last 12 months…

Networks emerge, converge, splurge to redefine **Communications**

The Transformation Is Real

In the last 12 months…

Online **Commerce** and **Community** thrive



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The Transformation Is Real

In the last 12 months…

Entertainment takes center stage

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The Transformation Is Real

In the last 12 months…

The **Big** get **Bigger**

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And Now It's Accelerating

In the last 12 days…

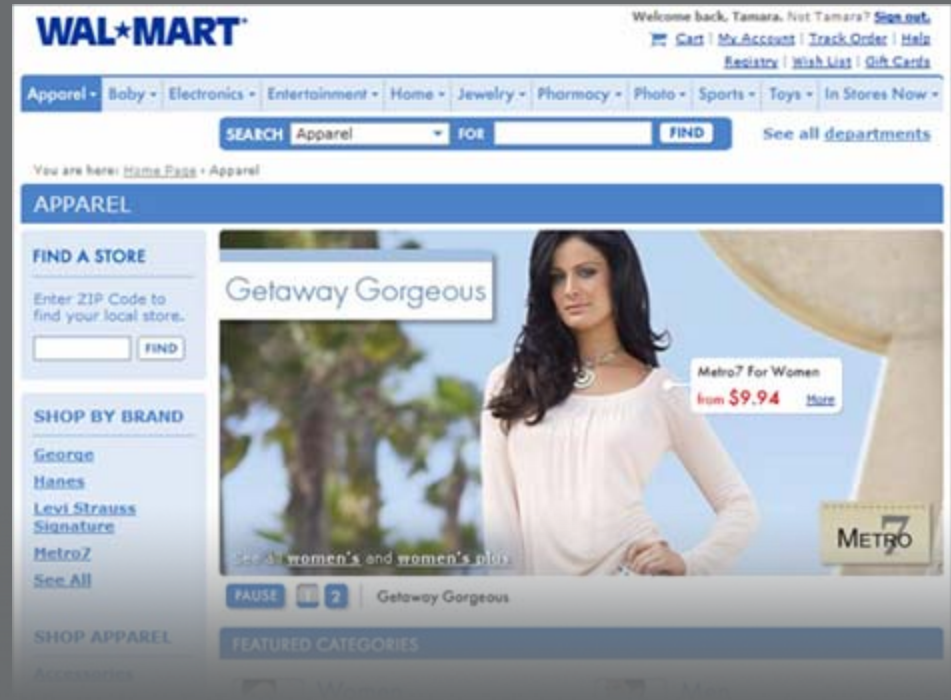
Microsoft launches **Vista**

And Now It's Accelerating

In the last 12 days…

Wal-Mart launches **Video Download** Service

WAL★MART



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And Now It's Accelerating

In the last 12 days…

News Corp and **VeriSign** finalize joint venture for **Mobile Entertainment**

VeriSign

Jamba

News Corporation

VeriSign

But So Are The Threats

In the last 12 days…

53,908 records containing sensitive **personal** information have been **exposed**

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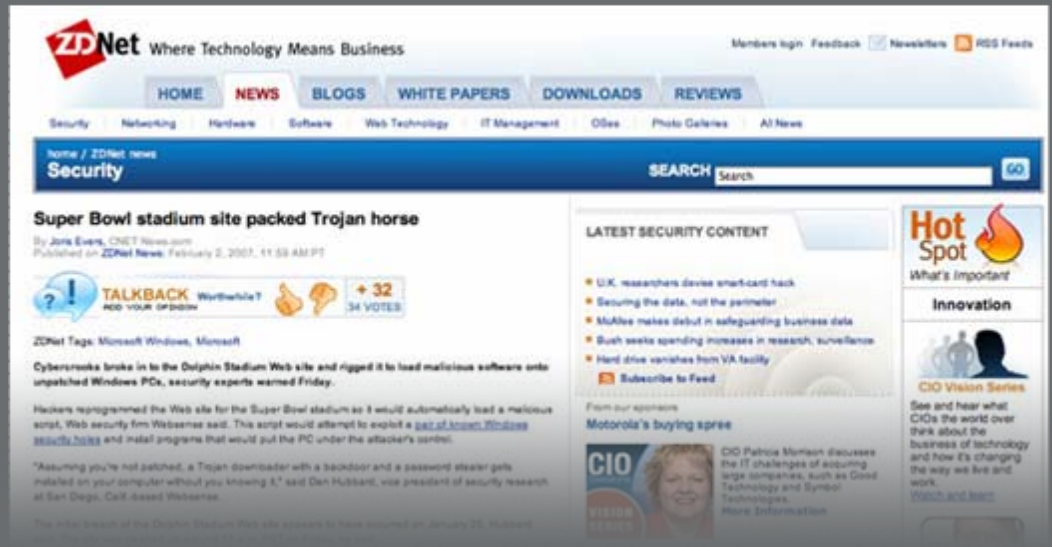
But So Are The Threats

In the last 12 days…

Super Bowl website stadium packed with Trojan horse **viruses**



But So Are The Threats

In the last 12 days…

Tens of millions of credit and debit cards may have been **compromised**

Marshalls TJ·maxx

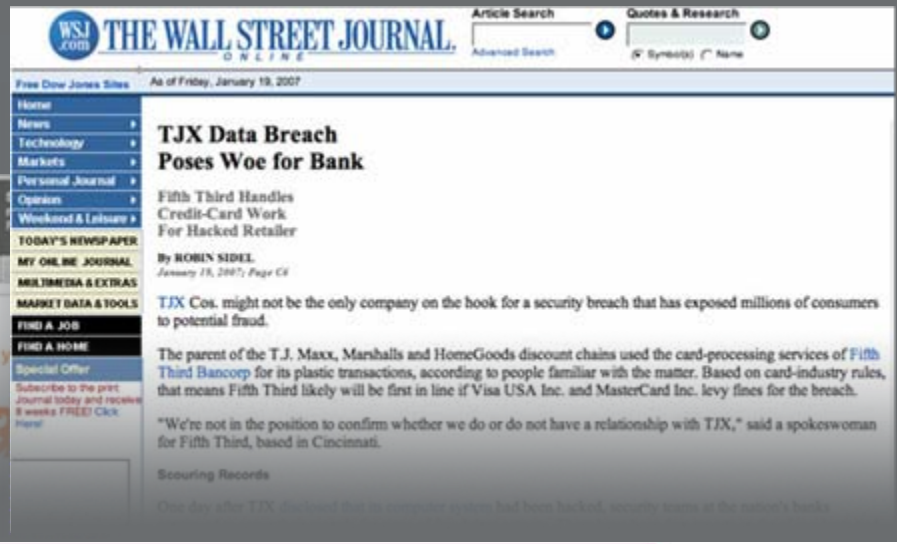
INTERNATIONAL
Herald Tribune | BUSINESS

Retail security breach may be biggest in U.S.

By Eric Dash

Published: January 19, 2007

NEW YORK: Tens of millions of credit and debit cards may have been compromised by a computer security breach at the retailer that


WSJ.com THE WALL STREET JOURNAL. ONLINE

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Quotes & Research

As of Friday, January 19, 2007

TJX Data Breach Poses Woe for Bank

Fifth Third Handles Credit-Card Work For Hacked Retailer

By ROBIN SIDEL

January 19, 2007; Page C4

TJX Cos. might not be the only company on the hook for a security breach that has exposed millions of consumers to potential fraud.

The parent of the T.J. Maxx, Marshalls and HomeGoods discount chains used the card-processing services of Fifth Third Bancorp for its plastic transactions, according to people familiar with the matter. Based on card-industry rules, that means Fifth Third likely will be first in line if Visa USA Inc. and MasterCard Inc. levy fines for the breach.

"We're not in the position to confirm whether we do or do not have a relationship with TJX," said a spokeswoman for Fifth Third, based in Cincinnati.

Scouring Records

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What Does It All Mean?

+ Interactions moving to the new infrastructure
+ Network effects have taken hold
+ Customer drives action
+ Competition drives speed
+ Network always on, always under attack

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The Any Era Has Arrived

It’s Real, It’s Global

1b Internet users, 35% of users in Asia

180m global broadband subscribers

70m Chinese Internet users under 30

2b wireless users

2b cumulative iTunes

67m iPods

106m MySpace users

136m registered Skype users

57m active blogs

Source: CNNIC, Internet World Stats, Technorati, ITU, Forrester, Skype

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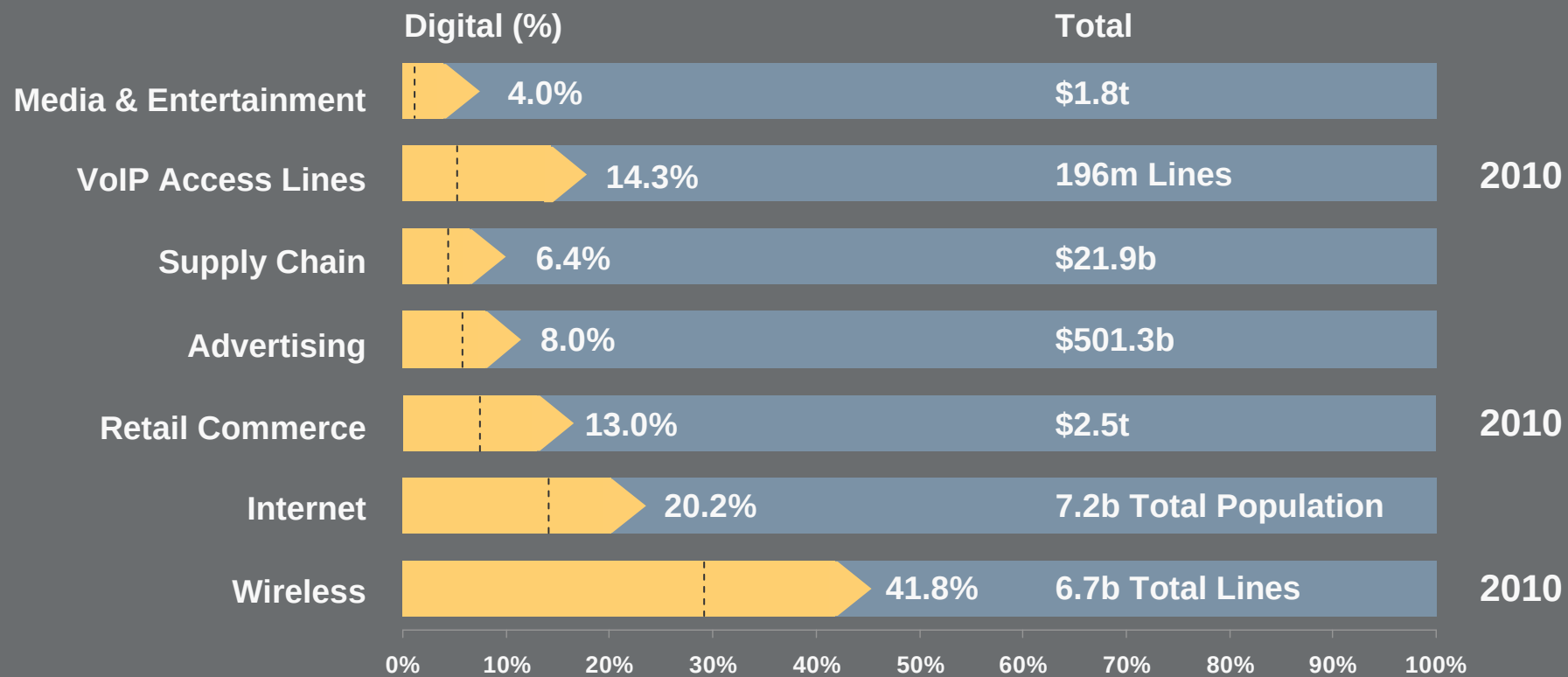
And It's Just Beginning



Sources 2006: Forrester, PwC, IDC, In-Stat, eMarketer, TIA and VeriSign

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The Consumer Is In Charge

End-to-End Products Work

+ iPod / Zune
+ Blackberry
+ X-Box
+ HP Smart TV
+ WiFi and Home Media Centers
+ MySpace everywhere!

End-to-End Solutions Win!

VeriSign

Security Industry Is The Laggard

"If we force customers to choose between ease of use or better security, they choose simplicity every time."

VeriSign

~~1998~~

~~2000~~

~~2003~~

~~2005~~

2007

We Have The Technology

+ Proven Point Products Can Keep The Bad Guys Out
  - PKI
  - Firewalls
  - Tokens
  - Intrusion prevention
+ Consumers More Vulnerable, Less Confident
+ Even As Usage Skyrockets
+ End-to-End Solution for End-to-End Problem

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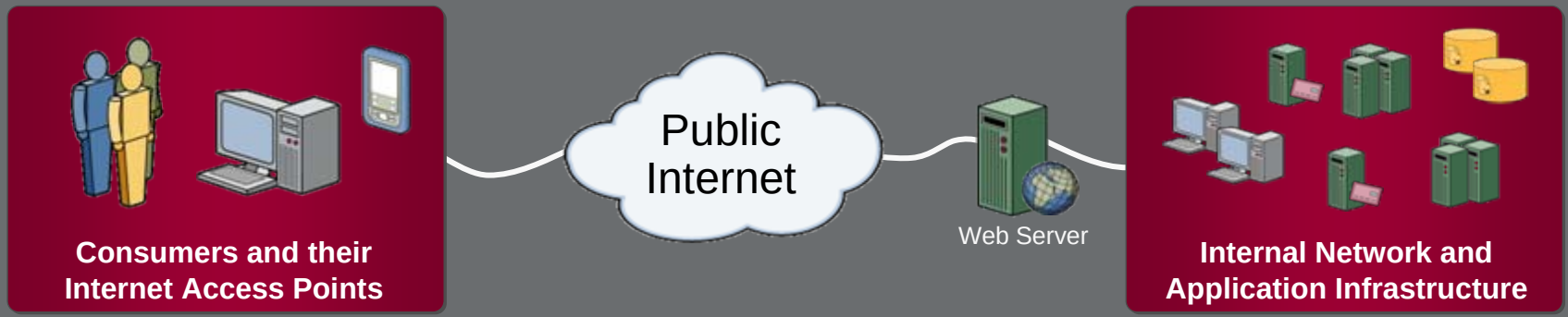
Bad Guys Always Attack The Weakest Link



- Spyware and computer viruses
- More sophisticated Phishing sites and spam email

- Brand and trademark infringement
- Man-in-the-middle attacks

- Improper insider access
- Vulnerability exploitations

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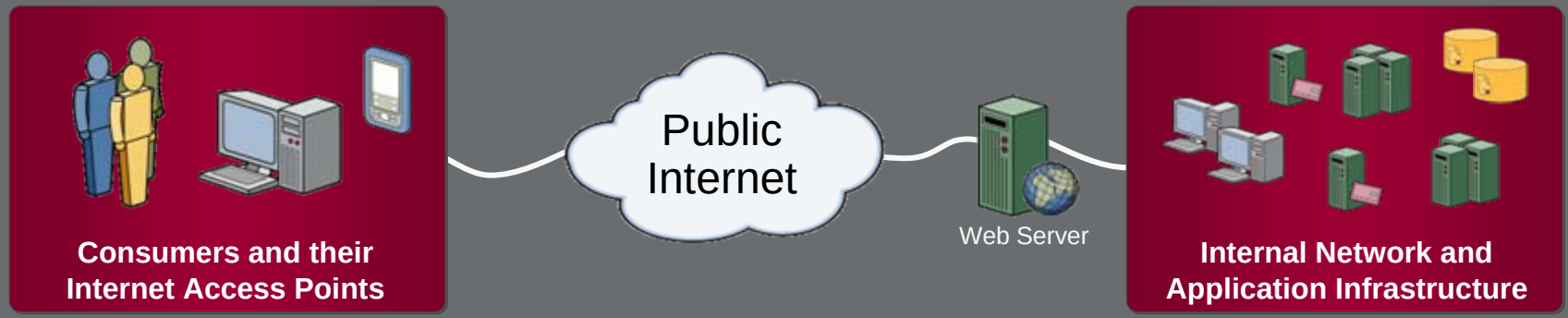
And It Always Hurts



- 32 million consumer resist on-line banking
- eCommerce sales reduced by over $2 billion

- Erosion of a brand perception
- Cost of consumer notification from breach

- Over $15 billion in actual fraud loses
- Regulatory headaches

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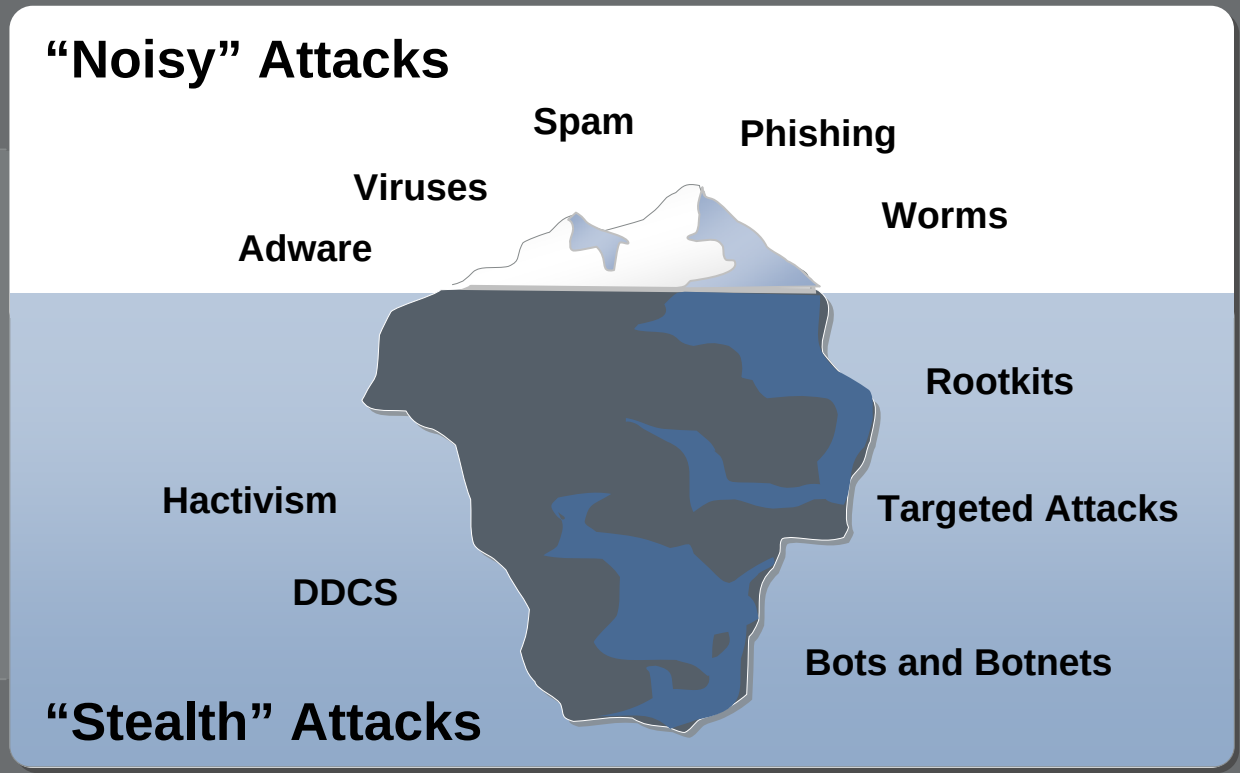
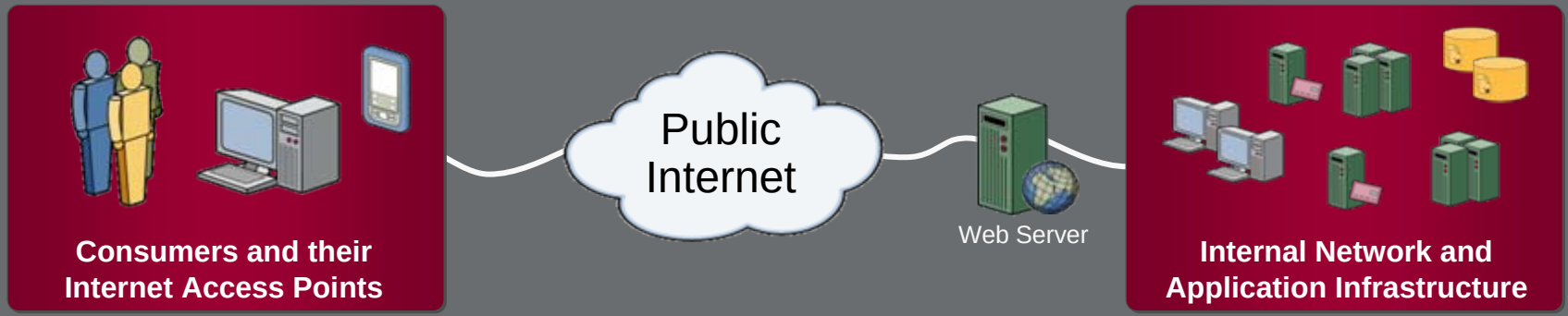
And It Always Gets Worse



The Layered Approach To End-to-End Security



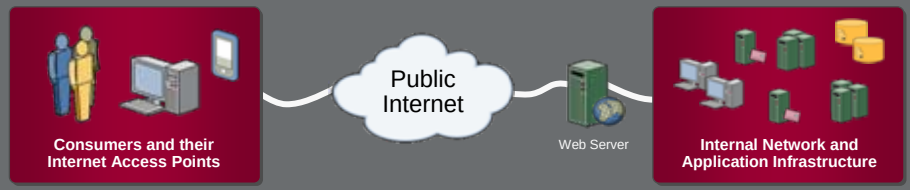
Consumer

Brand

Website

Network

VeriSign's Approach

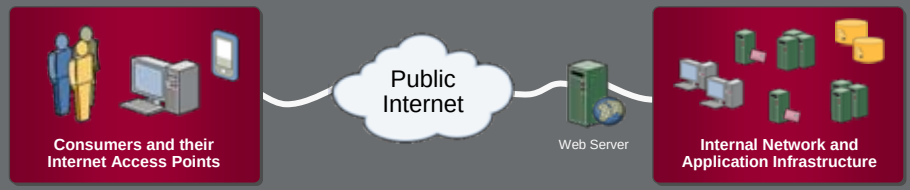


- **Consumer**
- **Brand**
- **Website**
- **Network**

VeriSign Identity Protection

VeriSign Secured

VeriSign's Approach



Consumer

Brand

Website

Network

+ Brand and Fraud Protection, Detection and Response
+ Early warning of brand misuse or phishing attacks
+ Domain Management

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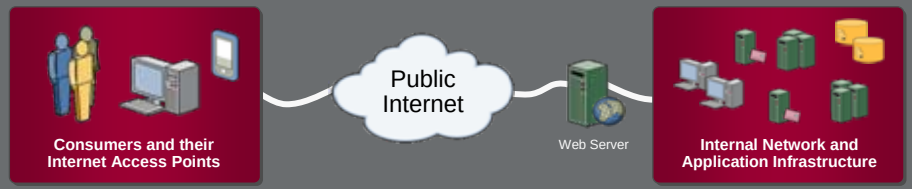
VeriSign's Approach



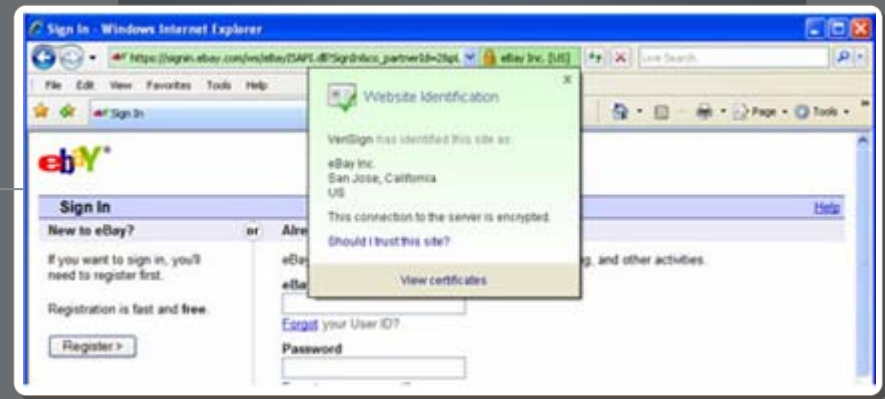
Consumer

Brand

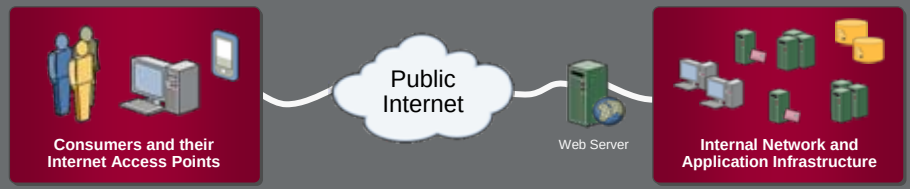
Website

Network

\+ EV SSL certs to clearly identity fraudulent sites



VeriSign's Approach



Consumer

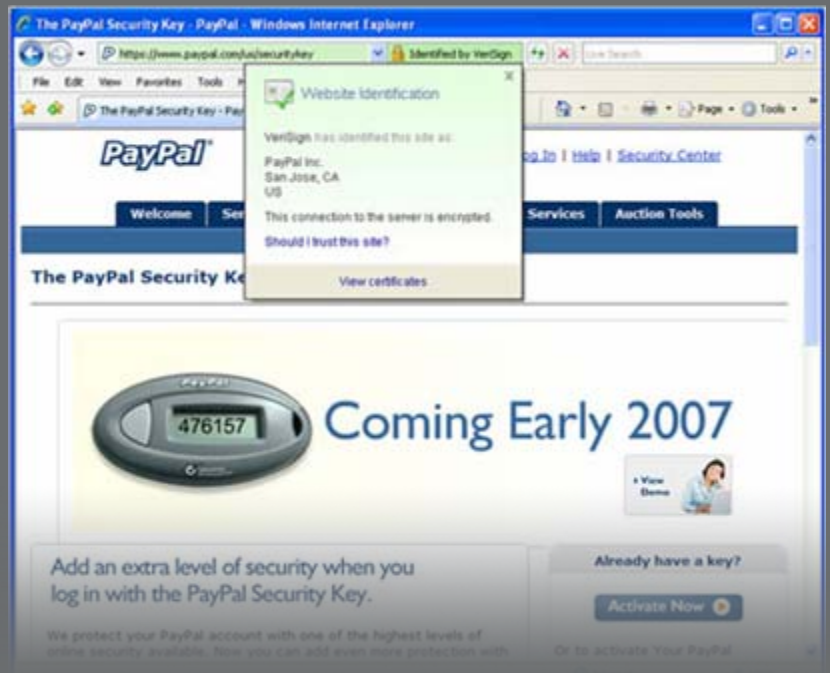
Brand

Website

Network

+ Managed FW and IDS with advanced event correlation
+ Managed DNS to protect against DDOS attacks

The Leaders Get It



PayPal's Layered Solution

+ Consumer education to reduce risky behavior
+ EV Certs ensure consumers do not mistake phishing site for PayPal.com
+ Strong authentication prevents fraudulent account access
+ Backend analysis to identify and mitigate fraudulent activity
+ Phishing takes down fake sites as quickly as possible
+ Encryption of all sensitive data

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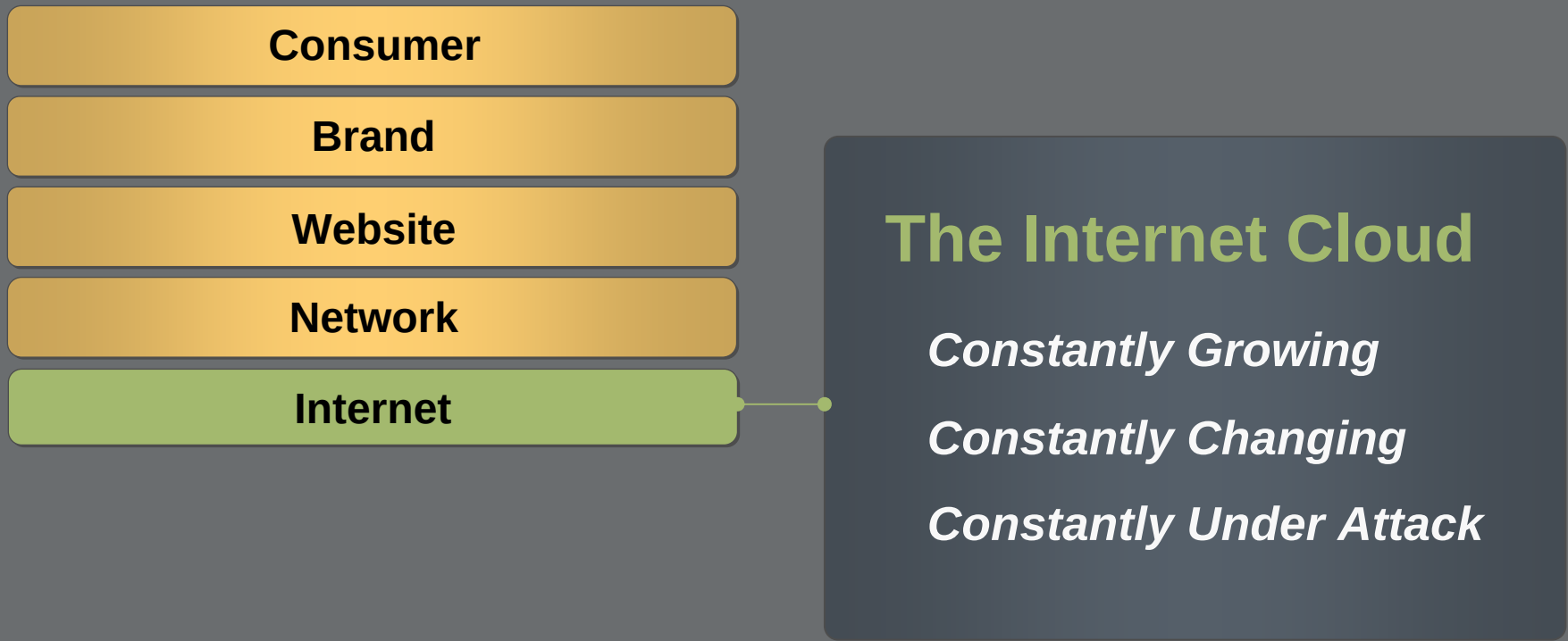
The Last Layer Of Defense



In Case You Blinked…

Tuesday, February 6th, 2007

- Coordinated attack on DNS infrastructure
- Large packet, high volume queries
- All requests bogus, all sources false
- Hit .uk then .org
- Sophisticated—yet simple and scalable

VeriSign®

Project Titan

VeriSign's 3-Year Investment to Fortify the Cloud

CAPACITY	+ From 400B to 4 Trillion/Day
BANDWIDTH	+ From 20GBps to 200GBps
REDUNDANCY	+ From 20 sites to 100 sites
INNOVATION	+ Scale, Security, Monitoring, Response

VeriSign Today

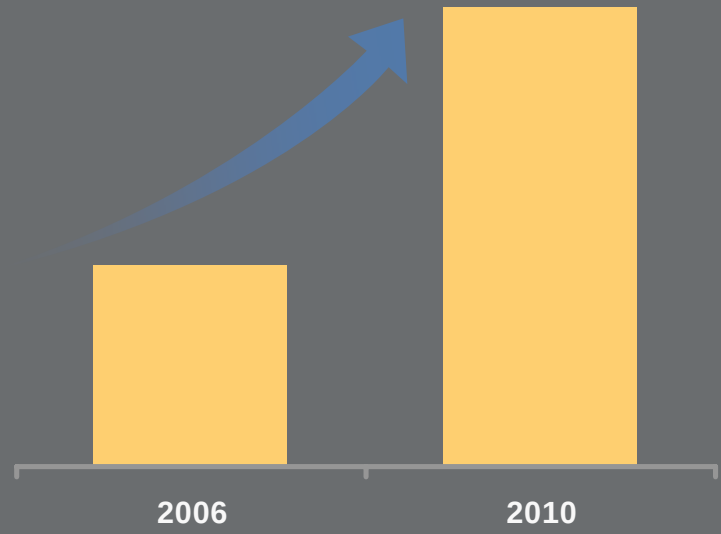
VeriSign Tomorrow - Project Titan

Operational Excellence 2010

The Demands Will Continue

By 2010

- Number of Internet users will nearly double to 1.8 million
- Over 2 billion cell-phones and PDAs are Internet-enabled
- 34 million U.S. households using VoIP
- 63 million subscribers of IPTV
- Cyber attacks increase by 50% a year through 2010



VeriSign

Are You Ready?

+ The Any Era Is Here
+ The Consumer Is In Charge
+ End-to-End Wins Every Time
+ Security Must Embrace Layered Approach
+ VeriSign's Leading The Way

The Any Era Is Here!