



VORMETRIC

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### **Concern Over Data Security on the Rise in Outsourcing Industry**

**SANTA CLARA, CA - March 7, 2006** -The International Association of Outsourcing Professionals (IAOP), the global, standard-setting organization and advocate for the outsourcing profession, and Vormetric, a leading provider of security solutions for protecting sensitive information from unauthorized access, announced today that a survey of attendees at Feb 20th's successful Outsourcing World Summit® pointed to increasing concerns over data security while outsourcing.

The Outsourcing World Summit was held Feb 20th in Orlando, Florida, the 18th installment of the worldwide conference series. The industry's elite, including the global membership of the IAOP gathered to share knowledge, conduct professional learning activities, and strengthen relationships. Last week's conference was standing room only and its attendance shattered previous Outsourcing World Summit records, reflecting the current surge of outsourcing activities in today's marketplace. Attendance was a veritable who's who of today's outsourcing players, with representatives from the following companies exhibiting in attendance: Johnson & Johnson, Bell Canada, Sara Lee, Microsoft, Proctor & Gamble, Accenture, HP, Wipro, Janus Associates, Booz Allen Hamilton, Pitney Bowes, Boeing, and more.

"The trend toward increased outsourcing as a way to sharpen an organization's competitive edge is unmistakable," said Mike Corbett Michael F. Corbett, Executive Director, IAOP and one of the outsourcing industry's best-known experts.

Vormetric is a current IAOP Corporate Member and chairs the IAOP's new Data Security Chapter. As part of the Data Security Chapter activities at the summit, Vormetric surveyed over 100 attendees and exhibitors, including service providers and outsourcing customers. According to the survey, more than 90% of the respondents stated that data security breaches that occurred while outsourcing would be "catastrophic" to their business. In addition, when it came to compliance, there was confusion on who is responsible for data security -- the service provider or the customer. Fifty percent said both service providers and customers are responsible, while 30% believe the customer is responsible, and 20% believe service providers are responsible. The survey results are in line with recent survey data from analyst firm Enterprise Strategy Group (ESG) earlier in 2006 where they found that confidential data was the most vulnerable to insider

attacks -- with the highest vulnerabilities attributed to employees, contractors and outsourcing partners.

"The need to protect confidential data cuts across companies large and small, within every industry," said Jon Oltsik, Senior Analyst, Information Security. "The results of our research data shed new light on the need for all organizations to protect against the insider threat, and the importance of including contractors and third-party affiliates as insiders in today's global marketplace."

"LASON customers place a high value on our commitment to securing their critical data and documents," said Trevor Brown, Chief Marketing Officer at LASON, a pioneer in providing business process outsourcing (BPO) solutions with over 7,500 employees and 35 service centers in the U.S., Canada, China, India and Mexico. "Accuracy, privacy and security rank at the top of their list when evaluating service providers for critical BPO business functions. The results from the survey confirm what our customers tell us: that service providers need to build data security into their business including best practices and data security products such as those offered by Vormetric."

"Our survey underscores the need for outsourcing professionals to have a sound data security strategy -- both service providers and their customers" said Tom Grubb, Vormetric Vice President, Marketing and Chapter Chair of the IAOP's Data Security Chapter. "All threats to sensitive or regulated customer data while its entrusted to a service provider ultimately undermines trust, and therefore threatens the business relationship between provider and customer."

### **About Vormetric**

Vormetric is the leader in data security management and enforcement solutions. Vormetric Data Security provides a centrally managed, high performance, easy-to-implement, distributed solution that solves the pressing compliance, security and risk management challenges facing today's enterprises and government agencies. Vormetric's application- and database-transparent solution outperforms other offerings to provide stronger and broader data security at a fraction of the management and implementation cost.

Vormetric's more than 230 customers represent the world's most trusted brands in financial services, retail, manufacturing, healthcare, media, energy and telecom industries as well as highly security conscious government agencies.

Vormetric technology has received strong market validation for its innovative approach to data security, including:

- Selection by IBM as the core database encryption solution for DB2 and Informix on Linux™, Unix® and Windows
- *Computerworld* Technology Innovation Award
- Selection by Symantec to provide the Symantec Veritas NetBackup™ Media Server Encryption Option
- Partnership with Oracle to secure the execution environment for Oracle® Database Vault
- Five patents issued and nine patents pending

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