

THE LATEST FROM VODAFONE GERMANY | MARCH 2012

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Focus on security: Vodafone offers peace of mind



One glance at the stand tells you all you need to know. Emblazoned in huge print and glowing bright red, the message is loud and clear: security is the key focus at Vodafone stand 32. In order to ensure long-term success, communications providers must gain – and retain – the trust of users in their technology. Vodafone is in the perfect position to do just that. And not just thanks to the innovative products showcased at CeBIT, which included Secure SIM (the first solution of its kind worldwide) and Vodafone Managed Security services. The company's commitment to security is also underlined by its active involvement in debates surrounding the issue in the public and political spheres. So it was no surprise that Vodafone CEO Fritz Joussem was amongst the participants in the "Trust, data protection and security online" work group that formed part of the IT summit hosted by the German government at CeBIT.



Peter Schaar, German Federal Commissioner for Data Protection and Freedom of Information (left), and Thomas Ellerbeck, member of the Executive Board at Vodafone Germany (right).

Guests from the world of politics

In addition to Peter Schaar, the German Federal Commissioner for Data Protection and Freedom of Information, a host of other visitors from Berlin and the federal state governments dropped by – expressing a keen interest in Vodafone's security solutions. Familiar faces included Jörg Bode, Lower Saxony's Minister for Finance, and Peter Bleser, Parliamentary State Secretary to the Federal Ministry of Consumer Protection.

“We offer you secure solutions you can trust in”

Let me share an anecdote with you. We recently analysed the ICT landscape of one of our enterprise customers. Now this company provides its employees with BlackBerrys, but our research turned up some interesting findings: around 1000 Android smartphones – privately owned by employees – were logging onto the corporate network on a regular basis. This example perfectly illustrates the onward march of the consumerisation of IT. Employees like the idea of using personal devices at work, and it certainly enhances their motivation and boosts productivity. After all, you are familiar with the ins and outs of your own smartphone; you know how it works. A whopping 93 per cent of senior management at German companies report that their staff use personal mobile phones or tablets in their work. In fact, 18 per cent of employees do so even though their employer does not allow it. And this is creating a major challenge for enterprise IT security. “We have to manage a real hotchpotch of end devices,” an IT security specialist told us recently. Vodafone is here to help, delivering reliable security solutions that safeguard our customers’ businesses.



Jan Geldmacher, Chief Commercial Officer Enterprise at Vodafone Germany

End-to-end device management

One example is the Vodafone Secure Mobility Manager, which can be used to manage all company devices via the cloud. Using a password, this app grants access to all data approved by the administrator – as agreed with employees. And if a device gets lost? No problem: data can be deleted using the remote wipe function. So you can rest easy that you are in control of your company’s data at all times.

Robust security - even for phone calls

Another exciting development is Secure SIM. This SIM card is the first in the world to include an encryption processor. Once equipped with this technology, your company phones can encrypt not only the data you send and receive but also the calls themselves – protecting against telephone tapping. This innovation was developed in collaboration with Munich firm Giesecke & Devrient, a company that the German government trusts with printing banknotes and passports. You can’t get much more secure than that!

Secure SIM cards

“The mobile phone of the future will replace our keys, wallet and credit card.”

Michael Kuemmerle is a senior manager at Giesecke & Devrient, a German company that focuses on technology such as payment solutions and SIM cards. He is head of the Mobile Security division which delivers security innovations for digital applications to financial service players, network providers, transport operators and other organisations.



Mr Kuemmerle, your company is a leader in security solutions. What megatrends are driving this industry?

The connected society is having an impact on almost everything we do – from how we live to how we work. This offers great opportunities – but also presents challenges. We are already accustomed to shopping online, working from home and on the move, and using internet banking. In the future, these applications – and many more – will also be available on smartphones. As a result, we will see a significant rise in demand for security solutions in the coming years.

What role does G&D play as a security partner for businesses?

Giesecke & Devrient has several decades' experience in the digital world protecting particularly sensitive data. This includes electronic payment systems for financial applications. We are also a leading provider of security solutions in the mobile telephony space. Since 1991, we have been delivering SIM cards to network operators – the pivotal security component in a mobile network.

What are the market requirements?

It's not just the transmission lines and data centres that need protection from unauthorised access. Cast-iron user authentication is also key. And our customers and suppliers demand compliance with the highest security standards. These are the only ways to ensure trust in the digital world.

What do these developments mean for the future of the smartphone?

The smartphone will become a true all-rounder. And near-field communications technology will play a central role in driving innovation. G&D has already launched around 40 pilot NFC projects across the globe. Smartphones that support this technology need only be held close to another NFC device for data to be securely transmitted. The mobiles of tomorrow will replace our keys, wallets and credit cards – and be used as tickets on public transport.

“Trust will play a larger role in the future.”



Renate Schmidt is the former German Minister for Family Affairs and ombudswoman for data protection at Vodafone Germany.

CeBIT’s keynote theme Managing Trust is a good choice. Not only is it relevant for businesses but it also reflects the real-world needs of today’s society. And the importance of trust – not just in the IT sector but across multiple industries – is set to grow. People are more and more critical of the products and services they receive – from food and pharmaceuticals to telecommunications, and beyond. A sceptical “is this offering really ok?” has become a

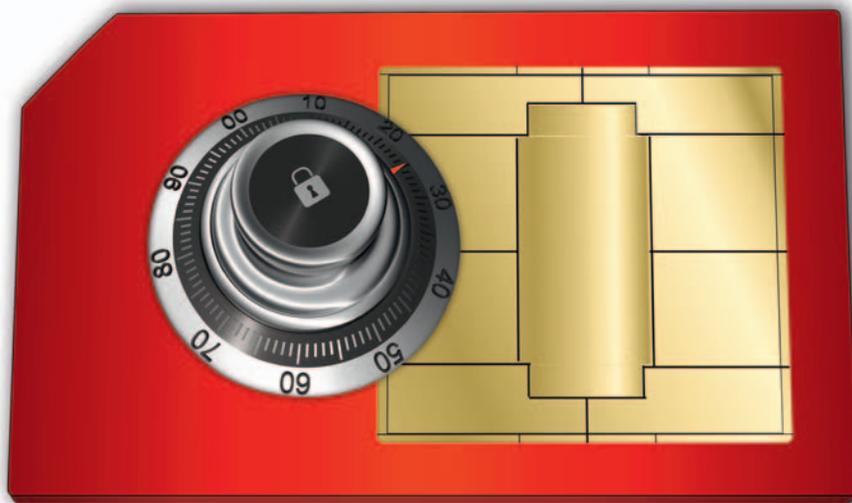
frequently asked question and one that is often intensified by the media. Negative examples immediately become high-profile affairs – whether the attention is justified or not. But the fact of the matter remains: consumer uncertainty is definitely on the rise.

“Are technological developments capable of winning trust?”

That is down to the companies themselves – whether they are service providers or manufacturers. It is advisable for them to test and evaluate their innovations in terms of how likely they are to win consumer trust. When it comes to dealing with personal data, for example, people are particularly sensitive. The younger generation is less concerned, but that changes the older people get. Many refuse to have anything to do with cloud computing and do not use online banking because they are worried about the security of their data. They simply avoid this type of service because they do not trust it. Increasingly, the complex, modern world clashes with ever-more critical, well-educated consumers who have learnt to question the reality behind the ad slogans.

These people require reassurance on two levels – one appeals to the emotions, the other to the intellect. Consumer trust is a valuable commodity and it is well worth the effort it takes to win it.

The SIM card as a virtual safe



Vodafone unveils new SIM. In a world first, the communications company has installed a security program directly on a SIM card. Secure SIM, unveiled at CeBIT, enables secure access to data networks and provides the basis for tap-proof telephony as well as encrypted emails and text messages. Vodafone developed the technology in collaboration with Giesecke & Devrient, a leading provider of digital security solutions.

Comprehensive security concept

Secure SIM is part of an end-to-end security portfolio. This includes a secure login that ensures cast-iron user authentication and works independently of the device. If an employee wants to log on to a corporate network, the customer network first sends a request to a high-security Vodafone server. Only when the SIM has been identified and verified can the employee access the data – after entering a PIN. The solution offers the same level of security as every desktop in the enterprise, but it can be used anywhere in the world.

What's more, the portfolio boasts secure data and secure voice features. Thanks to the integrated encryption processor, the SIM can store and manage digital certificates and keys and deliver them to applications. As a result, emails and other data stored on the device are not accessible to unauthorised third parties. If two mobiles are equipped with Secure SIM, users can send encrypted text messages and enjoy tap-proof telephone calls. All this makes the application highly appealing for businesses, authorities and other organisations.

