



# COMPUSAFE

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## FRONT PAGE

### Computer mafia

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By Liz Clarke

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Industrial espionage, involving the accessing of sensitive company information by sophisticated mafia-type syndicates, is emerging as a sinister new threat in the wake of escalating computer theft in South Africa.

Among the hundreds of companies targeted nationally are those operating in the KwaZulu-Natal industrial areas of Pinetown, New Germany, Stamford Hill and Springfield Park.

However, for every one computer theft in KwaZulu-Natal there are 22 similar thefts in Gauteng, most of them in Pretoria, Centurion and in the Johannesburg CBD

#### **Syndicates target companies' records**

While the value of the equipment stolen is substantial, the theft of protected company information could be both dangerous and destructive. Records that could fall into criminal hands are company records and working details, information on cash transactions, bank account details, addresses and whereabouts of staff and clients.

In one instance e-mail messages were sent, supposedly from top management, to clients asking them not to place money in the company's bank account because there was a technical problem. An alternative bank account was given. once money had been deposited it was swiftly closed.

The South African Police Services estimate that in 2002 alone an estimated R326 million worth of computers were stolen, more than was taken in bank robberies and violent cash-in-transit heists put together. The SAPS Specific Crimes report that in 2001 10 778 business premises were burgled in KwaZulu-Natal. Police sources say they expect this figure to rise by the end of 2003.

Ian Colls, a Pinetown-based businessman who has undertaken an extensive investigation into computer theft, said that South African companies were still "very naive" when it came to the threat of industrial espionage and that valuable and highly sensitive information was being given to

syndicates "on a plate". He said that in the absence of any legislation in South Africa that dealt per se with the theft and illegal use of company information, extra vigilance was vital.

"People might think that a stolen computer is just a matter of an upgrade through their insurance company," he said, "but they forget that it is often not the equipment, but the information, that the criminals are after. We are not yet sure how it is being used, but the potential for abuse is a huge concern."

Chris Allan, managing director of Tile Trends in Pinetown, has been the target of computer theft six times. "We have excellent alarm systems and good security but the gangs still get in. What is worrying is that the criminals ignore computers in the work station area, and steal only the main computer containing company information."

He said that a further concern was that 50 or 60 companies in his area had been broken into and computers stolen, without a single arrest being made. "We need a thorough investigation into where these computers are going and who is behind this systemic targeting."

The manager of a company in the industrial complex of Westmead, who asked not to be named, said that he had decided to leave the area and start his business elsewhere. "It is absolutely absurd what is going on. You can't conduct business like this. How can you expect investment when you are being robbed left, right and centre?"

Security companies which protect industrial premises believe that many companies have not kept up with the times. In some cases alarm systems haven't been changed since they were installed 10 to 15 years ago.

Oliver Dallaway, of Secureco Security, said that as criminals became more sophisticated, alarm systems needed to be upgraded to cope with new threats. "To keep one step ahead requires regular forensic auditing."

Regional manager of Chubb Security and chairman of the South African Intruders Detection Services Association (SAIDSA), Neil Zaltsman, said that it was "still too early" to see whether the theft of company information had impacted on crime.

"It might sound a bit James Bondish, but it is something that needs to be watched carefully. What we do know is that there are new market users who need entry level PCs and that there is a ready market in the recycling of components, including the hard drive."

He said that among solutions that companies could look at was the installation of devices into the PC linked to the alarm system.

Spokeswoman for the statutory Private Security Industry Regulatory Authority (PSIRA), Ronel Verryne, said that it was imperative that companies employed security personnel who were legally registered with PSIRA.

"Companies that accept quotes for security services below the statutory minimum wage are asking for trouble," she said. "In all probability the people employed won't be registered with us. And if they have criminal records they won't know."