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TECHNOLOGY

Comerica Touts Simplified E-Security System

■ BY WILL WADE

Comerica Inc. is rolling out a new type of encryption technology for its corporate customers.

The Detroit banking company says that it uses a format that is easier for customers to use when transferring secure files to and from its servers and that ease of use could attract more customers in the long term.

"We call it FTP for dummies," said Nina Burgess, a vice president for product development at Comerica, referring to file transfer protocol, a common but often cumbersome method of moving files between computers.

In an interview last week, she described the system as akin to a virtual vault, with information available online only to authorized users. "It's a very user-friendly software."

Comerica has been testing the system since April and is just starting to make it available to customers, who can use it to send or receive automatic clearing house transaction files, lockbox information, or accounts receivable processing data. More functions will be added in the future, Comerica said.

Its servers currently use other encryption technologies to authenticate users and authorize file transfers using public and private keys; a user must combine a publicly available encryption key with a secret one, the private key.

While this method is generally regarded as effective, it can be tricky to use. Ms. Burgess said that many of Comerica's business customers, especially small and midsize ones, do not have dedicated

technology staff and that less tech-savvy employees may find it hard to use these applications.

The new technology is based on software developed by CyberArk Software Ltd. of Dedham, Mass.

Richard Stiennon, a vice president for research and network security at the market research firm Gartner Inc., said the use of key-based encryption in this type of application, in which customers access information and transfer files online, has been limited, because using the keys "is hard to do."

CyberArk's technology is based on the same fundamental encryption algorithms, but Richard April, a senior director of marketing at the software company, said that all happens under the hood.

Instead of using keys, the customer is granted access with a user name and password, he said. "We handle all the key exchange within the vault, and it's completely transparent to the user."

Ms. Burgess of Comerica said this ease of use will be appealing to existing customers and attractive to potential ones. She would not discuss the budget for installing the virtual vault but said that in the long run it will likely prove less expensive than the current security software, because it will require less customer support.

Several other financial services companies, including Lehman Brothers, J.P. Morgan Chase & Co., and MasterCard International, are also working with CyberArk.

"The public-private key applications didn't really address what [banks] really need," Mr. Stiennon said. "It's a new twist, and frankly, it's a twist that's seeing faster adoption rates." ■