

**Submission to the parliament of Australia Joint Committee**  
**Management and Integrity of Electronic Information in the Commonwealth**

**Submitted By**

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**Introduction**

Business Security Systems Pty Ltd (BSS) is an Australian company supplying laptop theft reduction solutions to corporate and government organizations in the region.

As a consequence of inquiries during the course of 2000 and 2001 by a parliamentary committee it was revealed that substantial levels of laptop theft were occurring in government agencies, with Telstra being named as having a large volume of theft.

As a direct consequence, Telstra management, already aware of our solutions, further evaluated our offerings and proceeded with deployment during the course of 2001. Our solutions are now deployed on all laptops across the 16,000-unit laptop fleet managed by Telstra. Telstra management have in the past provided statements that attribute the significant reduction in the rate of theft to our solutions.

We feel it important the committee be aware of these solutions, as they have not been evaluated by other government agencies despite the success of their deployment within Telstra.

**The Solution**

The solution currently deployed by Telstra is called stoptrack. This solution comprises three components:

1. A metallic plate which is affixed to the lid of the laptop (sample in attached illustration). The fixer reacts with a chemical print on the back of the plate leaving an indelible mark indicating the laptop is stolen property and a 1800 number to contact if found. This renders the laptop of zero value for resale making it unattractive to would be thieves.
2. A covert software program installed on the laptop, which communicates with our tracking server in Sydney to advise the location of the laptop on a daily basis. When reported stolen (or lost), the server activates the software on the

laptop on next connection which then covertly dials a special 1800 number and advises the telephone number of connection.

3. A tracking service which offers:
  - a. Provision of witness statements to police when a laptop marked as stolen communicates with our server
  - b. Telephone tracking of lost / stolen equipment when someone finds and reports a laptop as being found
  - c. Arranging the return of recovered equipment when possible

This solution has resulted in a 50% reduction in the theft rate at Telstra.

We have recovered numerous laptops on behalf of Telstra with the service. In fact, police are now investigating a recovered laptop presented at an ACER repair center with the STOP plate removed. This was stolen from the possession of a Telstra employee located WA in 2001.

### **Source of Laptop Theft in Organisations**

BSS products are distributed on behalf of Oxygen of France who holds the global patent for this unique technology.

Research conducted by CLUSIF in France and Gartner Group in the USA has determined that some 80% of laptop theft occurs through “internal” theft; that is, by employees or other trusted related parties of the company. Only 20% occurs by “professional” thieves and about half of this theft results in the laptop being broken down to spares.

The NSW Bureau of Crime Statistics and Research data published in 2002 equates to 3.4% of new to 2 year old laptops being stolen in NSW each year. It is reasonable to extrapolate this nationally. It is also reasonable to expect that most organizations will have a theft rate similar to this average.

We have numerous testimonials from large corporate and government organizations to show this rate applies globally and that our solutions can achieve a reduction of 70% or more dependent on the starting level of theft.

Professional theft is difficult to overcome external to the premises as this tends to be opportunistic “snatch and run” type theft from the back of cars, in public places while the laptop is briefly unguarded (e.g. standing in a café waiting to be served). These opportunistic thieves steal first then inspect the goods. Typically, when the STOP plate is recognized, the laptop is discarded and often recovered through our service.

## **The Telstra Case**

While we reserve exact statistics and would ask that they be obtained directly from Telstra, they were experiencing less than the average at the outset of stoptrack deployment. Telstra had recognized the “internal theft” source and had already implemented some measures to assist reduction. Having established the real source of theft, selection of stoptrack was fairly logical. Telstra claims this has saved them in excess of \$1,000,000 per annum in costs associated with stolen laptops.

More detail of the Telstra Case can be obtained if required on our web site at [www.bsyst.com.au/resources.html](http://www.bsyst.com.au/resources.html) where a PDF format file is available.

## **The Cost of a Stolen Laptop**

Most organizations insure against theft of laptops. This means the capital cost is recovered when theft can be proven to the satisfaction of an insurance company. As this means proving forced entry generally, “internal theft” cases are hard to recover through insurance.

In addition, there are substantial “on costs” associated with a stolen laptop including:

- Lost information and software
- Work interruption
- Data re-entry time

Gartner Group of USA places total cost at 3 to 5 times the capital cost of a laptop.

These cost “recoveries” are the main business case for implementing theft prevention solutions such as stoptrack and are well known to well-informed IT Management.

## **Effectiveness of the Telstra Solution**

The stoptrack solution gains its effectiveness as follows:

- It provides a visual deterrent that is known to employees thereby largely eliminating the “internal theft” threat
- The covert software, also known to employees, acts as an additional deterrent and also provides a recovery strategy in the event a related party committing a burglary is unaware of the software
- Professional thieves are aware of the solution and will abandon a stolen laptop when removed from its bag revealing the deployed solution

### **Conclusion**

We at BSS, respectfully suggest that the government should engage all affected agencies in an evaluation of the stoptrack solutions to determine if similar results to those achieved at Telstra can contribute to the reduction of the significant level of laptop theft still prevalent in government agencies.

### **Further Information**

Officers of our company can be available to provide additional information on request.

In the first instance, please contact Gary Bigelow, Sales and Marketing Manager,  
Business Security Systems Pty Ltd 02 8264 0900 or cell 0423 550 686

**Sample stoptrack Metallic Plate (magnified)**

