

Could A National Cyber Identity Strategy Bring New Private Sector Business Opportunities?

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Transacting business online is fast and convenient for individuals and businesses. Sometimes that convenience can come with a high price -- the misuse of sensitive information to commit fraud, identity theft or other crimes. In many instances, identity authentication, i.e., knowing that the person or entity you are dealing with online is truly who or what they represent themselves to be, could have prevented the wrongful act from taking place.

The Department of Homeland Security recently announced the National Strategy for Trusted Identities in Cyberspace (NSTIC), developed in conjunction with other federal agencies, representatives of the business community and privacy advocates. The key component of NSTIC is the development of an "Identity Ecosystem" to support trusted online environments. Ideally, the Identity Ecosystem would accept a variety of credential and identification media types, not unlike an ATM machine that accepts cards from a variety of card providers.

Participation by individuals would be strictly voluntary. Potential uses of a smart identity card could include credit card purchases, online banking, and accessing electronic health records. In addition to verifying identity, the Identity Ecosystem would minimize, or eliminate, the requirement to provide sensitive personal information to complete each transaction.

The Identity Ecosystem would not rely on the government to be the sole identity provider, although it will be the primary "enabler, first adopter and key supporter" of the Identity Ecosystem. NSTIC could provide new business opportunities for the private sector to be identity providers or as an online service provider by adopting and promoting the use of the Identity Ecosystem to its customer base. While still in the idea-building stage, NSTIC could eventually provide greater security, efficiency and ease to online transactions. To review NSTIC, go to http://www.dhs.gov/xlibrary/assets/ns_tic.pdf.

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