URU™: proven identity and peace of mind
An overview
Organisations are now under increasing pressure to reduce operational costs and risk to the organisation whilst at the same time improving customer service, at reduced cost. In the financial services industry alone, the Credit Industry Fraud Avoidance System (CIFAS) reports an increase in identity fraud of 30% per annum. That figure is still on the rise – and it’s not only costing an estimated £1.3 billion to the UK economy every year, but it’s also highly distressing to those affected.

For this reason, businesses need to protect both customers and their organisation, by verifying that all those they do business with really are who they say they are and live where they say they live. Internally, too, organisations need to be able to determine that employees are really who they say they are, particularly when they are accessing sensitive customer and company information such as credit card details.

But how can you prove identity discreetly, without appearing distrustful? How do you validate paper based documents in non face-to-face situations, such as over the web? And how can you remain compliant with ever increasing legislation, yet also be cost-effective?

**URU™: a solution from BT and GB Group**

BT, in collaboration with data services company GB Group, has developed URU, an innovative web-based service to help organisations fight identity fraud and money laundering. URU provides you with an easy way to verify identity details against some of the most comprehensive and reliable range of data sources available in the UK, in real time.

Designed to significantly reduce paper based application processing costs, which are expensive and time consuming, URU not only improves efficiency for the consumer but also protects against widespread fraudulent reproduction. Furthermore, because it is a fully objective and automated system, URU avoids all potential subjectivity. This means that operators don’t need to be experts in the issue of identity fraud.

**The result?** Proven identity, and peace of mind.

**Combating identity fraud in the global economy**
Identity fraud is a very real issue. Theft of identity and its related crimes can have a serious effect upon your business, your customers, and can cause untold personal distress. New legislation, such as the 2nd European Money Laundering Directive, Proceeds Of Crime Act and guidelines from industry regulators such as Financial Services Authority now require businesses to improve identity checking procedures and auditing.

Corporate compliance

Regulatory bodies are developing new legislation in the fight against identity crimes. For instance, as of March 1st 2004, new anti-money laundering regulations require UK businesses from all sectors to prove customer identity on any transactions where there is a concern of money laundering. What’s more, adequate records must be kept as proof. The consequences of such a lack of compliance, however, could be more than damaging. Aside from financial penalties, company directors who fail to meet the requirements of the new anti-money laundering regulations may find themselves the subject of legal action, and, in certain cases, a two-year prison sentence.

Reputation and brand can also be seriously affected, as organisations are regarded as negligent with customer transactions and checks. And should a customer be a victim of identity fraud as a result of a lack of compliance, the impact on the organisation concerned would be immense.

The personal cost

Identity fraud can not only be harmful to business. Victims of identity fraud find the task of clearing their names costly and time consuming, as well as highly upsetting. Indeed, research from CIFAS, the UK’s fraud protection service, suggests that it can take some 400 hours for a victim of ID fraud to prove their innocence, and up to two years to get their credit rating restored. And in financial terms, research from a leading insurer reveals that a busy person wishing to clear their name and credit files can spend between £5,000 and £8,000 to do so. What’s more, most victims are unaware that their identify is being used by a fraudster for some months – meaning that the damage is already done by the time the customer realises.

Financial implications aside, however, identity theft can also have a significant impact upon people’s personal lives. Fraudsters who assume the identity of the deceased – particularly deceased infants – can cause untold distress to family members, who are contacted by police in relation to crimes committed in their name. With URU, however, fraudsters can be caught right at the start of any application for a financial or other service.

The answer: URU from BT

What is needed is an easy, reliable way to meet compliance and combat identity fraud, without compromising service. URU gives you just that – a fast and cost effective means of verifying that individuals are who they say they are.

In the majority of cases URU removes the need to store paper based forms of identity documentary evidence and provides a benchmark for customer enrolment.

The problem with identity fraud in the UK today

Identity checks often rely solely on paper documents which may easily have been misappropriated or forged. In order to combat this, organisations spend a significant amount of time and money training staff to perform identity checks, which in themselves are troublesome, time-consuming and potentially subjective. Whilst necessary, such a process can actually be damaging to business; new customers are often put off by what they perceive to be a distrustful and suspicious attitude to their business. And both new and existing customers find the delay in decision-making a frustration.

Another popular form of identity verification – using credit data – can also present major stumbling blocks. Should an individual’s address details not match those held by credit reference agencies, that individual may be regarded as suspicious. Yet something as simple as recently moving house may in fact be the real explanation. Indeed, should an individual have no credit history, they actually run the risk of being excluded from the system entirely.

URU can tackle this, dynamically checking against a wide range of data sets, including credit data, that provides a more complete view of the individual within society and hence greater confidence that individuals are who they say they are.
URU is an easily accessible online service, securely hosted and managed by BT, that checks a wide range of electronic data sources and incorporates highly sophisticated data analysis techniques to cross check an individual’s details in seconds.

Accessible via both mobile and fixed devices, users of the system simply key in volunteered personal information, which the ‘Dynamic Matching Engine’ within URU typically cross-references in under three seconds.

**Identification and peace of mind**

**URU can offer you:**
- Greater corporate confidence through robust, comprehensive, accurate and up-to-date reference data
- An enhanced customer experience, through seamless systems integration that reduces the time needed to get new customers active
- Improved speed of business process operation and reduced operational costs by removing paper documents
- Regulatory compliance and an extensive audit trail retained during the usage of the service
- Improved security by earlier and faster identification of fraud than with traditional identity methods, intercepting fraudulent documents early
- Minimised risk of human error thanks to standardised identity checking procedures, backed up by flexibility to meet business processes.
Robust, comprehensive, accurate and up-to-date reference data

A stolen identity can often be revealed by the details that have been overlooked. Using URU’s extensive variety of cross-sourced information means that should a driving licence number be a digit out, a telephone number fail to match an address or a mail sort code not correspond with a house number, the system can detect it instantly.

What’s more, URU is able to reference 5 years of UK population data. This means that people who have recently moved, or students living away from home can offer historical data and still be authenticated by the system. The system is also regularly updated and fed with new data from an extensive range of population sources.

An enhanced customer experience

Traditional methods of identification can take up to four weeks to complete; with web-based access to URU, however, identity checks can be completed within a matter of seconds. And that means faster responses to your customers, greater acquisition numbers, lower churn and better deployment of internal resources. URU can replace the need for existing manual and paper based processes, enhancing the efficiency of operations such as account opening, which in turn can mean a better customer experience and supports improved revenues.

Rapid and easy integration with existing CRM systems or processes

Specifically designed around industry standard Web Services technology, URU avoids the legacy issues associated with the traditional approach of installing a new system or application, making it an easily integrated and highly adaptable solution. Additionally, because the system is hosted by BT, no specialist hardware is required, meaning URU can be fully up and running within a matter of hours. The system can also be easily integrated into existing CRM processes, across a range of customer access points, including hand-held PCs and customer contact centres.

Earlier and faster identification of fraud than with traditional ID methods

URU can become the first point of call in your company’s identity verification procedures. Using URU’s extensive, cross-referenced data set, you can identify fraud at the outset of your business dealings, preventing the costly, time-consuming and traumatic consequences that fraud investigation and identity theft can bring. This is particularly useful in non face-to-face transactions – over the internet and telephone, for example – and prior to the dispatch of high value goods.

Regulatory compliance and extensive audit trail

URU is a rapid and more reliable way to help assure regulatory compliance than traditional identification methods. As a web-based service it can search and integrate databases in sub second speed and it retains a comprehensive audit trail of all customer verifications during the use of the URU service thus simplifying the retention process.
Different organisations will need to take different approaches to identity verification, depending upon the services they provide. URU is a flexible solution, allowing organisations to tailor the level and richness of identification that is carried out. URU can remove the subjectivity of identity checks, using a system of objective automated checks.

**Data Protection**

The issue of identity verification can understandably raise concerns about data protection. URU remains fully compliant with the Data Protection Act, as it does not disclose any private or sensitive personal data. Users of the system only enter volunteered personal information; the result is in the form of a simple tick or cross. No further data is ever disclosed to the user.

**Application areas**

URU is an ideal solution in situations where businesses need to:

- Have available to them a more comprehensive data set to cross reference an individual to confirm they are who they say they are
- Increase speed from customer acquisition to account activation in non face-to-face situations
- Verify identity and residency prior to despatching high value goods
- Confirm a customer’s age
- Quickly check the identity of a person for high value goods which often involve large cash transactions
- Perform ‘know your customer’ checks for business regulated by the Financial Services Authority
- Complete ‘know your employee’ checks prior to recruitment
- Confirm identities and credit worthiness of Director’s prior to providing financial services to a company
- Undertake credit risk and anti impersonation checks
- Assess the credit worthiness of an individual
- Perform sanctions checking to protect reputation and avert risk.
Why BT?

Thanks to our extensive experience in the security and management of hosting applications, BT is ideally suited to deliver URU. BT can help maximise information assets by transforming data into information and this information into actionable knowledge to enable organisations to reach, exploit and profit from interactions. Using its own unique experience as a leading practitioner of CRM, BT can provide your organisation with a fully managed solution, from consultancy to implementation to ongoing support. We have extensive experience of delivering such high quality managed solutions across all industry sectors, and the knowledge and expertise to ensure vital business issues such as risk management, regulatory compliance, software upgrades and systems security are handled effectively.

By working closely together, we can develop a business strategy to ensure you employ URU for your greatest advantage.

GB Group Plc

URU has been developed in co-operation with GB Group Plc. GB Group has worked with UK population data for the past twelve years, and consolidates it into a central information repository – The National Authentication Database. GB Group’s advanced compression, indexing and data matching software can check against literally millions of entries within this database at sub-second speed, and it is this functionality that sits at the heart of URU.
Enterprise wide usage

Using URU™ to verify identity offers benefits across the whole organisation.

What if:

The CEO office could:
- Reduce costs of customer acquisition and improve productivity of employees
- Reduce risk of regulatory non-compliance and the associated negative PR, financial penalties and loss of goodwill
- Deploy a verification solution with minimal disruption to existing IT infrastructure.

Marketing could:
- Improve enquiry to customer conversion rates, by drastically reducing the burden of ‘know your customer’ compliance
- Support impulse purchasing by making it far easier and quicker to identify and verify customers
- Enhance the overall customer experience, and significantly reduce the inconvenience of ID checking for all customers.

Operations could:
- Save up to 50% of application processing time
- Comply with Data Protection regulations more easily
- Improve identity checking by building upon existing processes, and provide a benchmark solution across multiple channels.

Regulatory could:
- Identify individuals earlier in the application process to eliminate damage to reputation, regulatory compliance and business revenues
- Determine a personalised risk scoring approach, based upon the level of risk to the business.

IT could:
- Use an identity verification solution that resides behind a highly secure BT firewall and is delivered through cost-effective and easy to implement web services
- Work with a solution where reference data is updated continually, without any in-house effort
- Scale the solution up seamlessly, without any need to rebuild, thanks to a future proofed architecture and the design of the ‘Dynamic Data Engine’.

Visit www.bt.com/corporate/uru or email focus@bt.com to find out how BT can help identity verification within your organisation.