



THE BUSINESS INTERACTION NETWORKS COMPANY

New Report Reveals U.S. Federal Data Security Vulnerabilities and Opportunities for Improvement

Despite Federal Guidance, File Transfer Protocol (FTP) Use Persists

May 10, 2010 – MeriTalk (www.meritalk.com), the government IT network, and Axway, the Business Interaction Networks company, today announced the results of the “Why Encrypt? Federal File Transfer Report,” which examines Federal file transfer practices and identifies opportunities for file transfer security improvement. The study reveals data security vulnerabilities that exist within U.S. Federal agencies due to employees’ use of unsecure methods to exchange information, such as File Transfer Protocol (FTP) – despite the Secure File Sharing Act, which the U.S. House of Representatives passed on March 24, 2010 to prevent government employees from using peer-to-peer file-sharing software, including FTP.

According to the Federal File Transfer Report, Federal employees are exposing data to cyber criminals. Though 71 percent of Federal IT and information security professionals are concerned with Federal file transfer security, 54 percent admit they do not currently monitor for FTP use within their agencies. Federal employees admit to using unsafe methods to transfer files, specifically citing the following:

- 66 percent use physical media (e.g., tapes, CDs, DVDs, USB drives, etc.)
- 60 percent use FTP
- 52 percent e-mail work files through personal e-mail accounts (e.g., Gmail, Yahoo, etc.)

The Federal File Transfer Report shows that agencies must secure top management support and educate employees to lock down Federal data. Federal employees at agencies with management that understands the impact of threats are more than twice as likely to follow these policies (53 percent to 12 percent); and currently, just 58 percent of those surveyed are aware of agency file transfer policies.

“In addition to revealing a major data security gap within Federal agencies, the report sheds light on a disconnect between increased Federal cyber security spending, which peaked \$7.9 billion in 2009, and the level of accountability from Federal agencies,” said Taher Elgamal, chief security officer, Axway. “The Federal government should take this discrepancy as a call to educate management and employees. This report shows a tremendous opportunity for the Federal government to apply common security policies across all forms of interactions, including file transfers and e-mails, and to develop and enforce government-wide file transfer security standards. Overlaying the communications and policies with visibility technologies can also prevent security lapses.”

The “Why Encrypt? Federal File Transfer Report” is based on an online survey of 200 federal IT and information security professionals in April 2010. To download the full study results and to register to attend the Axway Federal Executive Conference on June 9, 2010, in Tysons Corner, please visit <http://www.meritalk.com/2010-ftpsecurityreport.php>. In addition to hearing more about the Federal File Transfer Report, conference attendees will learn more about the government mandates surrounding information security and network protection, as well as the current state of government security from U.S. Federal executives.

About Axway

Axway is the Business Interaction Networks company – the only provider in the market today to manage, run, secure, and monitor all of your business interactions, including e-mail, files, messaging, services, events, and processes. Serving over 11,000 organizations in more than 100 countries,

Axway facilitates the multi-enterprise transactions, processes and integration that accelerate business by eliminating the barriers between vendors, customers, departments, partners and suppliers. Axway's comprehensive offerings include business-to-business integration, managed file transfer, secure email, business activity monitoring, enterprise application integration, service-oriented architecture, business process management, track & trace, and identity validation solutions. Axway provides professional and managed services, as well as cloud computing and Software-as-a-Service (SaaS) offerings. Headquartered in Phoenix, Arizona, Axway's global presence spans 20 countries. For more information, visit www.axway.com.

About MeriTalk

IT is enabling significant changes in our government. The implications for average Americans are profound. The voice of tomorrow's government today, MeriTalk is an online community that combines social networking and thought leadership to drive the government IT community dialogue. Developed as a partnership among the Federal Business Council; Federal Employee Defense Services; Federal Managers Association; GovLoop; National Treasury Employees Union, the largest Federal workforce union; New Ideas for Government; United Service Organizations; and WTOP/WFED radio, MeriTalk is a community site. For more information, visit www.meritalk.com or follow us on Twitter, @meritalk.