

Protecting Your Business From Fraudsters

THE NEW NORMAL
FOR THE US ECONOMY



SME FINANCE
FORUM

dun & bradstreet



Who is Dun & Bradstreet?

Data insights that connect you to your most valuable customers, prospects, partners, and suppliers.

Founded: 1841

Team Members: 5,000

Market Cap: \$4.2 Billion

NYSE: DNB

4 U.S. Presidents who worked as reporters for Dun & Bradstreet

Abraham Lincoln, Ulysses S. Grant, Grover Cleveland & William McKinley

With over 265 million business entities, Dun & Bradstreet has the largest B2B database in the world

Data from over 220 countries with 5 million updates daily

Over 1 Billion Payment Experiences a year

D-U-N-S Number has become a standard business identifier for the United Nations, the European Commission and the U.S. Government.

30,000 sources for identity, firmographic, and company relationship data

Over 3 Million Corp Family Trees

MARKETING & SALES | CREDIT & RISK | MASTER DATA | SUPPLY CHAIN MGMT | CORPORATE COMPLIANCE | ANALYTICS

WORLD'S MOST ETHICAL COMPANIES™
WWW.ETHISPHERE.COM

Cost of Fraud

The 2016 Association of Certified Fraud Examiners *Report to Nations on Occupational Fraud and Abuse*: "... with "Asset misappropriation by far the most common form of occupational fraud, occurring in more than 83% of cases..."

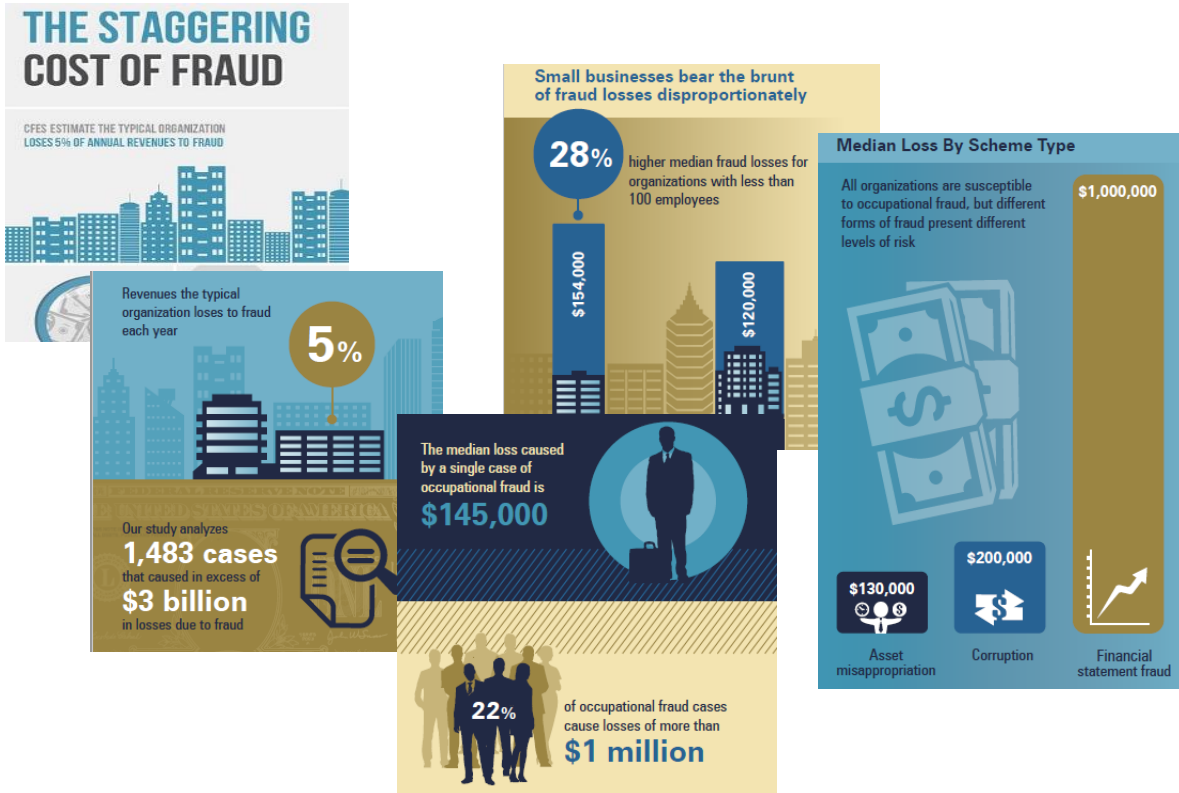
[ACFE](#)

If applied to the 2013 estimated Gross World Product, this translates to a potential projected global fraud loss of nearly \$3.7 trillion.

[ACFE](#)

More than 250,000 Micro & Small businesses were victims of unauthorized transactions against their business account, with losses totaling \$3.1 Billion.

[Javelin LLC](#)



Methods and Enablers of B2B Fraud

A WHOLE SET OF INDUSTRIES HAVE MADE IT EASIER FOR LEGITIMATE BUSINESSES AND, UNFORTUNATELY, FRAUDSTERS.

Transparency Proofs of Right aren't what they used to be... there is no going back.



Thief U.S. & Non-U.S.



Selects a Quality Business / Person Identity



Initiates Changes to Proof of Right Sources SOS/FEIN



Establishes Checks Virtual Ph Number Stand-up Website Seals of Approval



Establishes Fraud Delivery Point CMRA/PMB/ Virtual Office Mail Asst. Svc.



Changes to Business CRA



Places Orders



Goods / Check Delivered



Thief Sells Goods and disappears

REPEAT WITH NEW STOLEN IDENTITY, NEW DELIVERY POINT CONSULT WITH OTHERS EXPAND THE RING

ENABLERS



Virtual Phone



Nevada & Offshore Incorporation & Asset Protection Services
"Control everything, own nothing" - John D. Rockefeller

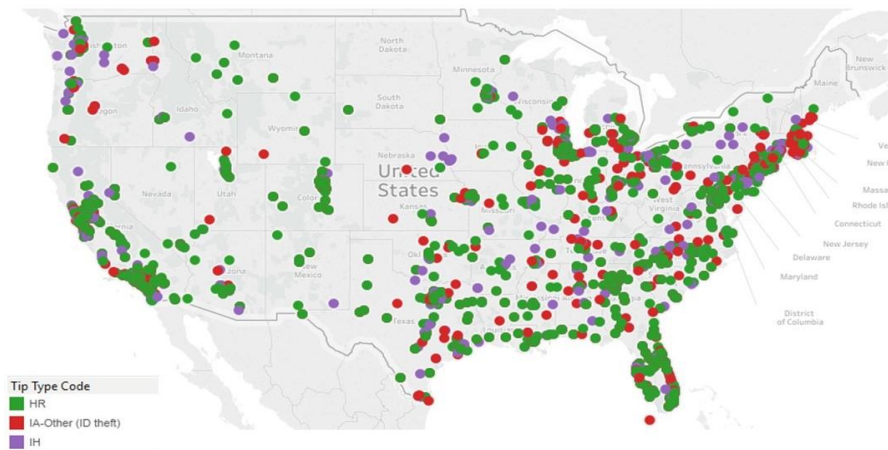


Check out the advantages of incorporating in Wyoming:

- Lower Startup Costs
- Privacy allowed
- Best Asset Protection Laws
- Nominee officers are no longer needed
- Manager not listed with the state
- Members not listed with the state
- Wyoming draws little attention
- No Nevada "Stigma"
- No State Income Taxes

D&B's High Risk & Fraud Insight Unit

U.S. HIGH RISK CLUSTERS



CFE-FRAUD PROFESSIONALS



*Together, Reducing
Fraud Worldwide*

- Average 21 years of business-fraud investigations
- Additionally - 500 Investigation Agents submitting TIPS/Leads
- Plus 80+ Extreme Risk Consortium members

DUEL MISSION:

- Identify, Investigate, & Alert Customers of High Risk & Fraud
- Protect the D&B Database from Material Misrepresentation

27,136

D&B Investigations
in 2016

21,765

High Risk Businesses
Confirmed and Alerts Made in
2016

73,238

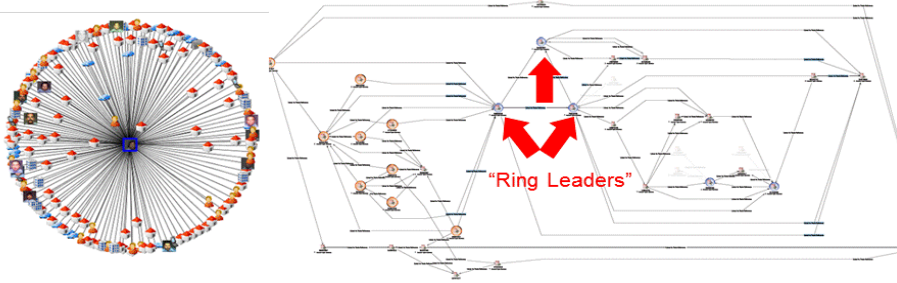
Entities (DUNS) Confirmed as
High Risk

559,547

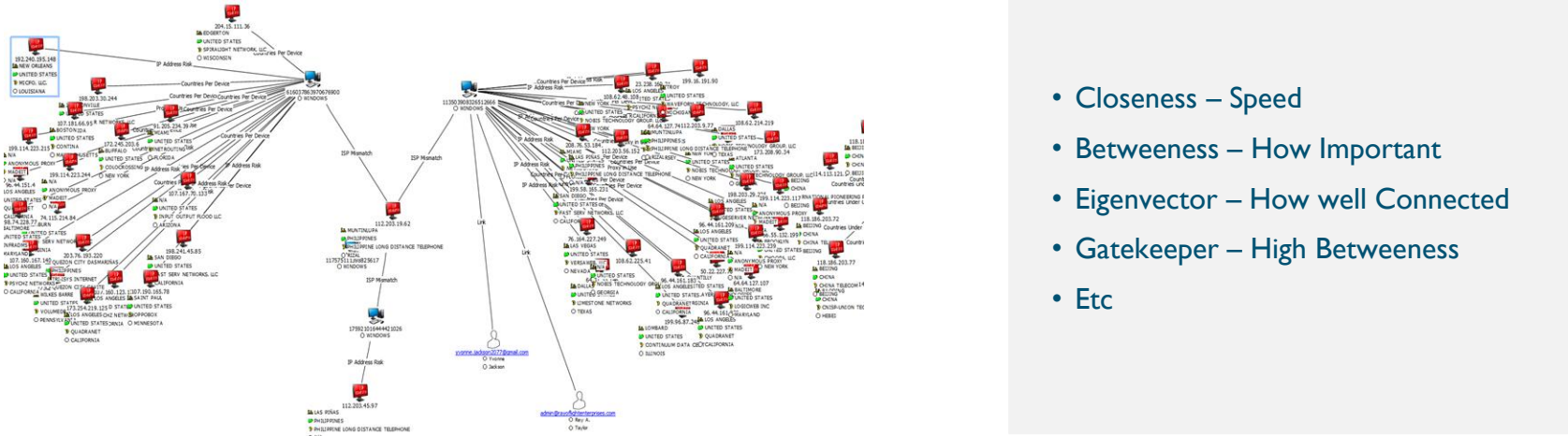
Attributes with Info
Value of High Risk –
Risk of Address

Social Network Analysis

Link Analysis & Data Visualization



EXAMPLES OF DEGREES OF CENTRALITY



- Closeness – Speed
- Betweenness – How Important
- Eigenvector – How well Connected
- Gatekeeper – High Betweenness
- Etc

Extreme Risk Consortium & Repository

Currently 83 Participant Industries

- Law Enforcement
- Technology
- Telecom
- Leasing
- General Bus. Supplies

Examples of Members:

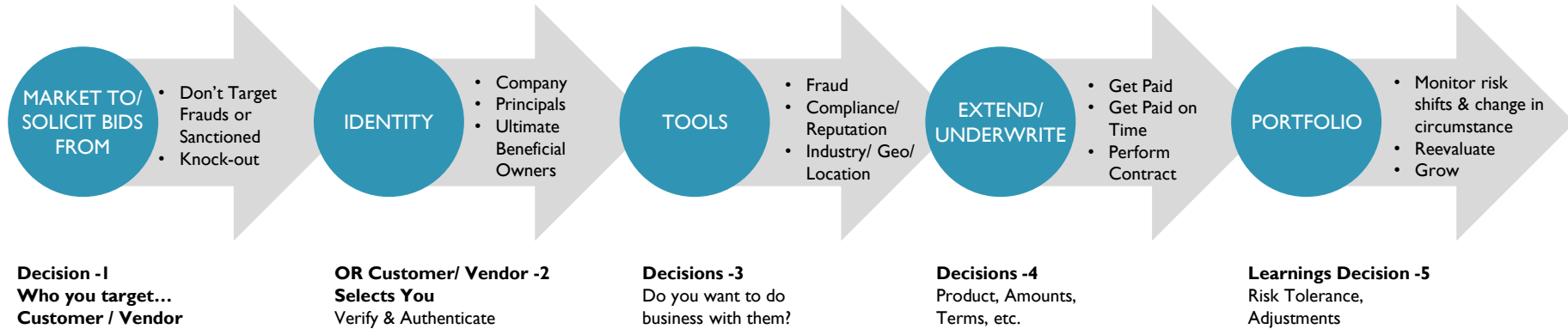


88% Confirmation
Rate on Participant TIPS



Who owns Fraud in your organization?

WHO YOU SELECT, WHO SELECTS YOU, WHAT YOU KNOW, AND HOW YOU MONITOR



What you know

What you're told

What you can verify

What you can monitor

I can see you

I can know you

I can predict you

I can anticipate...

“Companies can't simply rely on paper-thin assurances by employees, distributors or customers.”

Chief of the SEC Enforcement Division's Foreign Corrupt Practices Unit