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## **Businesses Face Red Flag Deadline May 1.**

The Michigan Homeland Security Consortium (MIHSC) urges Michigan businesses to be aware of the May 1, 2009 deadline for complying with the Federal Trade Commission (FTC) “Red Flag” rules for preventing identity theft and protecting critical data.

Barry Cargill – Executive Director of the MIHSC announced that Consortium members are working together to create what he referred to as The Red Flag Data Security Dream Team. Stated Cargill – Our Dream Team companies will assist businesses in detecting, protecting and mitigating against data malfeasance.

“The Red Flag Rules do not just pertain to the financial sectors of banking, mortgage brokers, and insurance companies”, said Duane Hopkins, President of Innovative Corporate Solutions Inc., of South Lyon, MI. “That simply is not the case, companies that are deemed a creditor, meaning companies that regularly deal with revolving accounts or have a direct impact on a consumer’s credit report rating fall under the rules as well. Examples of such companies include the health care industry, accounting services, utilities and other various creditors,” Hopkins stated.

Businesses that do not properly protect critical data face penalties from the FTC and State enforcement agencies; perhaps of greatest concern is the civil liability risk and loss of a customer trust when critical customer data is breached. Kathy Ossian, Principal Attorney and Information Technology Team Leader with Miller Canfield, PLC stated “not only will each company risk damage to their reputation but consumers may be entitled to recover damages from a company that does not adequately protect a customer’s critical data.”

Among others, the MIHSC Red Flag Rule Dream Team includes Michigan companies such as Encryption Security Solutions of Lake Orion, MI and Razor Threat Technologies of Pontiac, MI. Stated Kevin Lasser, Chief Executive Officer of Encryption Security Solutions “companies need to get smart as to how they are protecting and detecting data breaches, the losses are too big to ignore”.

To learn more about how your company can become part of the Red Flag Data Security Dream Team and the benefits of Michigan Homeland Security Consortium membership, visit [www.MIHSC.org](http://www.MIHSC.org). Additional information is available at the Federal Trade Commission website at: <http://www.ftc.gov/opa/2008/10/redflags.shtm>

## **About the Michigan Homeland Security Consortium (MIHSC)**

The Michigan Homeland Security Consortium is a non-profit industry trade association dedicated to driving the development, growth and awareness of the Homeland Security Industry in the State of Michigan. MIHSC serves a targeted membership of Michigan-based developers and manufacturers of products, technologies and services, specific to Homeland Security, as well as those companies and organizations affiliated with the industry. More information is available at [www.mihsc.org](http://www.mihsc.org).