Sony site flaw puts focus on Internet security

By **Shayan Ghosh** in Bangalore

INTERNET security has once again come into sharp focus with Sony discovering a loophole in their website set up to reset passwords for its users affected by the hacking of the PlayStation network.

Sony on Thursday announced that it has found a security flaw on its website that could have allowed a hacker access to private details of its gaming buffs.

"We are in the process of continuous restoration of the website loopholes that have been identified and it will be healed pretty soon," said Atindriya Bose, country manager at Sony Computer Entertainment.

Last month, Sony's PlayStation network was hacked and user data such as email ids and credit card details were possibly stolen in huge numbers, affecting users worldwide.

"Some users could say botnets (a collection of infected computers or those taken over by hackers) are the largest threat today because they have the potential of shutting down websites, online stores and even Governmental websites and critical resources," Costin Raiu, director of the global research and analysis team, Kaspersky Lab, said, explaining the present online threat scenario.

"Others say that a much more serious threat can come from mobile malware, because there are a lot more mobile phones than computer systems," he noted.

"Even though hacking is going on we are prompt to enhance our security measures. But only these won't help. The Indian users also need to be conscious; they also need to be vigilant about private details such as credit cards when they are on the web," Bose explained.

"A lot of companies are successful in e-commerce and have been in the industry for quite long. But regarding such flaws, it depends on how fast the company reacts to the situation," he said.

Hacking is like an arms race, according to Sunil Abra-

Atindriya Bose

ham, executive director, centre for Internet and society. "It is going side by side with the security measures that people are taking," he said.

Abraham said there are many reasons behind the recent rise in hacking with data being stolen very often.

Firstly, the information system nowadays is more complex though not mature enough to handle such threats. Secondly, the social networking sites are a key player when it comes to damage undergone due to hacking. The level of data loss is huge when one hacks a social networking site which, was not the case before. Thirdly, new updates of these networking and gaming sites are released very frequently, which leaves little time to check the security flaws in the website.

"New features are more prone to attacks," Abraham said.

"As attackers become more sophisticated and targeted, hacking continues to be a serious threat. In fact, Symantec's Internet Security Threat Report 16 revealed that an average of 260,000 identities were exposed per data breach caused by hacking in 2010, nearly quadruple that of any other cause," Abhijit Limaye, director, security response, Symantec, said.

However, there are ethical hackers who feel the need for security and also think that hacking will be a major issue worldwide, in a couple of years.

shayan.ghosh@mailtoday.in

Sony on Thursday said it has found a security flaw on its website.

SAFE PRACTICES FOR USERS

- **Change your account password at regular intervals**
- **Do not keep the same password for all your accounts**
- **Do not disclose information such as credit card numbers over emails or on social networking sites**
- **Be watchful at gaming sites**
- **For online transactions use more secure 'https' or an encrypted website**
- **Remain vigilant about your credit card transactions**

BPO clients worry over staff quality for projects

CUSTOMERS outsourcing critical back-office functions in banking and financial services are expressing concerns over the number of fresh graduates working on their projects, which they believe, could adversely impact the quality of work. Companies like Capital One and Amex have reportedly sought closer scrutiny to understand the ratio of freshers working on mission-critical projects.

There have been reports that one of India's top IT companies had to cough up compensation to one of the complainants for errors that were introduced by the outsourcing partner into the client's database. The

Concern over fresh graduates.

squeeze on margins as a result of the U.S. recession led several top IT companies to increase the proportion of fresh graduates into projects as their lower salaries helped the enterprises maintain profitability.

Industry sources said project viability could only be maintained by reducing the salary costs as the top outsourcing clients from the United States like Citibank, JPMorgan and Amex have not added to their IT budgets post-recession and expect companies to absorb their wage hike by curtailing operating margins.

Experts also point to the standard wage inflation of between 10-15 per cent as a cause for this malaise. The task now is to expand the ambit of such training to include sectorial expertise.

BPO Watch India

Ericsson inks BPO deal with Clearwire

THIS is Ericsson's week to be in the spotlight for U.S. news, it seems. The company has just announced a deal to take on the running of Clearwire's network, even as the Swedish company was named the latest to be interested in the trove of wireless patents being sold by the bankrupt Nortel for potentially $1 billion or more, according to a report.

Clearwire and Ericsson have announced a major outsourcing deal for the running of Clearwire's network. Under the terms of the deal, some 700 Clearwire employees are getting transferred to Ericsson, although Clearwire will maintain ownership of the network. Financial terms of the deal were not disclosed by the companies.

Ericsson has been one of the trailblazers in the movement among operators to outsource network management. It already has a similar outsourcing deal with Sprint, part-owner of Clearwire. The move will free up Clearwire significantly in terms of operating expenses, which might go some way to help the company finance the buildout of the rest of its 4G network.

BPO Watch India

WORLD NEWS IN BRIEF

Nokia's mobile market share slips to 25% says Gartner

NOKIA'S share of the mobile phone market dropped to 25 per cent in the first quarter of 2011, the lowest in 14 years, down from 30.6 per cent at the same time last year, technology research group Gartner said on Thursday.

Its market share declined 5.5 percentage points year-on-year, and its share has reached its lowest since 1997, Gartner said in a study.

Nokia had released its own figures on April 21 putting first-quarter market share at 29 per cent, down from 33 per cent in the first quarter of 2010. Earlier this year, the company announced a radical restructuring to overcome increasingly fierce competition in the smartphone market. The Finnish company, which had a global market share of 40 per cent as late as 2008, nonetheless remains the mobile industry leader.

It still ranks well ahead of second-place Samsung, which holds 16 per cent, followed by LG at third with 5.6 per cent, Apple in fourth with 3.9 per cent and RIM with 3.0 per cent.

Nokia announced in February that it expected a period of uncertainty as it phased out its Symbian platform in favour of a tie-in with Microsoft's Windows Phone. *AFP*

Apple & Android face tighter laws in Europe

SMARTPHONES of Apple and Google are likely to face tighter regulation in Europe after a data protection panel ruled that location information collected by the devices should be classified as personal data, according to a media report.

Apple smartphones and those running on Google's Android system look set to come under tighter regulation in Europe, after an EU data protection advisory panel ruled on Wednesday that location information collected by the devices should be classed as personal data.

This is likely to mean strict limits on how location data can be collected and stored by smartphone companies, telecom operators and any businesses hoping to run location-related services on phones, the report said.

The report said the proposals are a first step toward formulating a law on mobile phone location data and could be written into Europe's revised Data Protection Directive this year.

The panel said companies should get permission from smartphone users before collecting geographic information and specify what purpose the data is being used for. *PTI*

China Mobile eyeing acquisition avenues

CHINA Mobile Ltd , the world's largest mobile operator by market value, said on Thursday that it is seeking acquisition opportunities in emerging Asian markets, including Myanmar.

The company will not issue new shares should it decide to list A-shares in China, Chairman Wang Jianzhou told reporters after a shareholders' meeting. The mobile carrier, which had more than 600 million users, in April posted a 5.4 per cent rise in first-quarter net profit to 26.9 billion yuan ($4.1 billion). Like peers China Unicom and China Telecom Corp Ltd , China Mobile has been trying to reverse a decline in average revenue per user. *Reuters*