



CASE STUDY



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## Addison Avenue Federal Credit Union

Top-Ranked Credit Union Meets Federal Guidelines  
for Multi-Authentication Using VeriSign® Identity  
Protection Fraud Detection Services



## Addison Avenue Federal Credit Union



### SOLUTION SUMMARY

Fueled by the Federal Financial Institutions Examination Council's (FFIEC) "Authentication in an Internet Banking Environment" guidelines for online multi-factor authentication, Addison Avenue deployed VeriSign Identity Protection Fraud Detection Services. With the success of being able to detect and stop fraudsters, the credit union has expanded its Online Banking services—making it one of the top-ranked institutions of its type in the U.S.

#### Industry

- Financial Services

#### Challenges

- Addison Avenue needed to meet the FFIEC's "Authentication in an Internet Banking Environment" guidance by the end of 2006.
- The new security solution needed to be unobtrusive to members.
- Addison Avenue also wanted the ability to monitor and detect account activity that could be fraudulent or involved in money laundering.

#### Solution

- VeriSign® Identity Protection Fraud Detection Services (FDS)
- VeriSign® Professional Services

#### Results

- Addison Avenue was compliant with the FFIEC's Authentication in an Internet Banking Environment guidance in 2006.
- VIP FDS was implemented with no member-service interruptions or interventions.
- Addison Avenue has visibility into fraudulent activities and tools to protect its members.
- The credit union has been able to introduce more complex Online Banking services because of the protection afforded by VIP FDS.

Palo Alto, California-based Addison Avenue Federal Credit Union sets itself apart as a credit union by aiding members in solving monetary issues and directing them towards achieving financial freedom. The credit union that eventually became Addison Avenue was founded more than 50 years ago and was subsequently named after the location of the garage where Bill Hewlett and Dave Packard started Hewlett-Packard Company (HP). It has since increased its membership beyond HP employees, adding members from companies including Agilent Technologies, Flextronics and Verifone. Addison Avenue continually adds new products and services, and introduces new technologies to simplify the lives of its members.

It remains a member-owned, not-for-profit organization and offers a suite of online services, collectively called Online Banking, that enable members to conduct banking 24/7—consequently, only 30 percent of its members ever need visit a branch in person. In 2008, Addison Avenue was ranked by Callahan & Associates to be in the top one percent of all credit unions in the country for the value provided to its members.

### + Meeting a Federal Guideline and More

On October 12, 2005, the Federal Financial Institutions Examination Council (FFIEC) issued guidelines titled "Authentication in an Internet Banking Environment". The guidelines required all U.S.-based retail and commercial financial institutions to specifically address the need for risk-based assessment, customer awareness, and security measures to reliably authenticate customers remotely accessing their financial institutions' Internet-based services by the end of 2006.

Addison Avenue's mantra is: Security, convenience and simplicity. Blanca Guerrero, Addison Avenue's director, web solutions group, described, "Addison Avenue takes security very seriously. We were already looking at add-on security solutions to help prevent online fraud when the new FFIEC guideline requiring all financial institutions to implement enhanced online authentication by the end of 2006 came into being, it just helped us focus on those elements."

Sri Balaji, Addison Avenue's web solutions security architect, added, "The prominent news coverage of data breaches and identity theft was prompting higher member awareness around security as an issue in online banking, so failure to address these growing concerns also could have compromised the growth potential of our Online Banking and related Web initiatives."

Addison Avenue wanted to implement a non-intrusive, enhanced user-authentication mechanism with at least one layer of coverage to be provided to all Online Banking users by December 31, 2006. "We decided the implementation of this authentication methodology should be passive. That is, it should not require members to enroll before deploying the solution," noted Guerrero. "In addition, members should not need to obtain any sort of physical device, or download anything to their computers. We wanted them to gain the advantage of enhanced security in their online transactions without a reduction in convenience."

*“We are very pleased with VIP Fraud Detection Services. It not only enabled us to meet the requirements for FFIEC compliance, but it has gone on to give us confidence to introduce new innovative Online Banking solutions that keep us ranked as one of the top credit unions in America.”*

Blanca Guerrero  
director, web solutions group,  
Addison Avenue

Specifically, the credit union wanted an enhanced ability to monitor and detect account activity that could be potentially fraudulent or involved with money laundering. It also hoped to use security as a selling point for new members interested in remotely conducting business through its Online Banking services.

### **+ An Intelligent Authentication Solution**

Addison Avenue engaged in a full request for proposal (RFP) process to assess potential security solution vendors. Guerrero recalled, “We considered options such as cookie-based products that use challenge questions to verify identity, biometric-based second factor authentication, and intelligent authentication techniques.”

“As part of the RFP we specifically requested to hold an internal evaluation. Of the top few vendors, VeriSign was the only one that was able to facilitate an in-house test of its Fraud Detection Services so we could see what was involved in the set up and how it was going to work for us,” noted Balaji.

Addison Avenue selected VeriSign® Identity Protection (VIP) Fraud Detection Services (FDS) based on the hands-on evaluation, its high ranking against the criteria of non-intrusive member convenience and its flexibility in supporting multiple challenge methods.

“We liked the lack of disruption to the users; they didn’t have to register up-front,” reflected Balaji. “We found the self-learning engine very impressive because we were able to load historical data from our members’ interactions with their accounts and it was able to immediately start tracking patterns of behavior. This was a huge benefit when we later went live because we weren’t starting from scratch: The system already knew the ways in which users would typically access their accounts. The combination of configurable rules and the self-learning engine set VIP FDS apart from its competitors.”

Guerrero added, “The long term VIP roadmap looks very attractive and aligns with our needs. We liked that VeriSign is signing up big players in its VIP Network as this will definitely be of interest to us in the future. Plus, VeriSign has industry-wide brand recognition, and also has a compatible company culture to our own.”

### **+ Compliant and Highly Competitive**

The implementation of VIP Fraud Detection Services went smoothly and was live prior to the December 2006 deadline. “The solution took care of our original business problem as we were compliant with the FFIEC’s Authentication in an Internet Banking Environment regulation in 2006. VIP FDS proved to be a simple solution to integrate into our environment; a few lines in the configuration file and we were up and running!” mused Guerrero. She added, “We have full control over the user interface and the ease of customization has enabled it to fit well with our existing architecture.”

Addison Avenue had a lot of exposure to the VeriSign consultants during the implementation and subsequent updates. Balaji commented, “Our experience with the VeriSign consultants has been excellent. They are very responsive and flexible to our requests.”



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Sri Balaji  
web solutions security architect,  
Addison Avenue

With VIP Fraud Detection Services deployed Addison Avenue has had the confidence to broaden its Online Banking services. Balaji explained, “We have been more comfortable making certain higher-risk transactions available online because of having VIP FDS in place.”

Guerrero concurred, “Addison Avenue’s current Online Banking services are a competitive advantage already, but we always strive to see how we can improve all aspects of our operation. VIP FDS has been live for a couple of years now and it’s been one of a number of measures we employ to attack fraud. We are now ready to implement VIP Authentication Service for two-factor authentication and leverage the VIP Network in the near future.”

She summarized, “We are very pleased with VIP Fraud Detection Services. It not only enabled us to meet the requirements for FFIEC compliance, but it has gone on to give us confidence to introduce new innovative Online Banking solutions that keep us ranked as one of the top credit unions in America.”

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