Dispatches on Document Security

What’s happening in the field, and how are distributors and manufacturers keeping their clients’ documents safe?

BY ANDREW BROWN
Document security is a vibrant specialty within the print industry, a never-ending game of cat and mouse that’s subject to regulatory changes, technology advancements and dynamic market forces. We spoke to distributors and manufacturers about what’s happening in the field right now, and how they’re keeping clients’ documents safe.

Is It Time to VOID Old Pantographs?

The VOID pantograph has been around a long time. Maybe too long, at least in its traditional deployment. “A lot of the security voids out there right now don’t work real well,” says Mark Gerling, executive vice president at Flesh Co. “Do they protect you? A little, but just not that well.”

Aaron Singer agrees. The document security specialist at Micro Format says: “We sell a lot of prescription pads. The VOID is acceptable, but because the paper is loaded with other features, it works well.” For other applications, he’ll only use the Panto4000, a new feature that builds on traditional VOID technology.

For instance, when Singer sells college transcripts with a VOID pantograph, he doesn’t give clients a choice about which to use. He simply specifies the Panto4000 as Micro Format’s in-house feature. “I tell the client that this is the hidden message technology we use, and of all the hidden message technology out there that isn’t 100 percent foolproof, it’s the best one. I don’t give them a choice,” he says.

Traditional VOIDS are a concern because of their longevity and accessibility, meaning that bad actors have found ways to get around them. The Panto4000 is a technical advancement and characterized by limited availability. “The older technology is based on the dot pattern, and the Panto4000 is based more on a line, giving the copier more surface area to work with.”

The Panto4000 is so well-trusted that Aaron Singer, document security specialist at Micro Format, has made it the company’s in-house feature.
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area to appear,” Singer says. “The others are OK and they work, but I’d rather not offer something that could have more problems. The Panto4000 is better than the public domain pantographs that exist.”

Most customers accept the explanation without question, because they’re more concerned with overall document security than individual features. In the case of college transcripts, registrars are typically tasked with securing transcripts, and they’re not experts. They rely on Micro Format to suggest the best mix of features, given design and budget constraints.

“In a lot of ways, they’re taking what we give them. It’s not that they don’t care. It’s that they don’t understand,” Singer says. “The true problem we have is that there are lots of other things we can do for these documents if they really want to protect the entire chain the whole way.”

Besides college transcripts, Singer’s company has also found success incorporating the Panto4000 in “data integrity sheets” used by organizations that want to maintain the distinction between an original document and its copies, particularly regarding internal memos, notes and research. In the pharmaceutical industry, for instance, document integrity sheets are used for laboratory research results. “They want to be able to say which document is the original. So if somebody prints a copy, they want the pantograph to say ‘Copy,’” Singer says. “It’s a document security application because they want to maintain the chain of originals.”

The longer a document exists in its current state, the more likely that criminals will find ways to exploit its security features.

Singer is quick to note that document security depends on the mix of features: covert and overt. And that the right solution depends on the application.

“In document security, when the goal is to identify an original from a copy, there are lots of ways to achieve that goal when it comes to covert features. There’s a lot that can be done to protect a document from a physical machine copier. But when it comes to overt features, they can be defeated by someone taking a picture,” he says.

“So, once it’s out there, how do we at least make sure the information is trackable or genuine? We’ve been using the Panto4000 as a copy protection feature and an identifying feature. If a document is fraudulently copied, you want to be able to say it’s a copy.”

The shutdown and shrinking of major intaglio print suppliers over the years led to increased costs for high-end security features. Companies like Pro Document Solutions saw an opportunity to create something new — an optical variable solution that runs about half the cost, and that nearly any security printer can manage.
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document security

In the end, Singer says he’ll walk away from the business rather than sell features that won’t truly secure the document or will be used in the wrong way, especially if customers are more interested in the lowest price than security. “The document has value, and if it gets compromised, it’s not because of my price. They can’t afford to lose money on having their documents duplicated, so I’m saving them no matter what,” he says.

**Security Experts Are Proactive**

Even the most secure documents are susceptible to one vulnerability: time. The longer a document exists in its current state, the more likely that criminals will find ways to exploit its security features.

“It’s easy to take a repeat order. Customers will remain stagnant, because they’re comfortable with what they have until a problem arises,” says Mark Eller of Proforma DocuCom Services. “But the main objective is to prevent fraud. One crucial thing I’ve learned from experience is to be proactive. That is, not to wait for a client to identify repeat documents as needing changes.”

Instead, Eller is tenacious about scheduling routine document reviews with clients — at least once every three years at minimum — with the goal of making some changes to current features. “It may just be a few small changes, like the blending of ink colors, adding an artificial watermark or introducing 3-D holographic foil,” he says. “Whatever it is, remaining static is not a healthy option. It opens up way too much opportunity for potential perpetrators.”

“Educating your client of the latest technologies available to them to prevent fraud is paramount. At the same time, you’re alerting them of the criminal mind and intent,” he says.

A strategy he employs is to develop an enhanced layout for a client and email them an advanced proof. “I’ll take the first step. Let’s say a few colors exist on the current document. One way to refresh that item would be to introduce an iridescent of prismatic design that will camouflage or disguise the hidden VOID feature,” he says. “I’ll explain the reasons I’m doing it, that the document has been static for a while and that we are initiating preventative security measures from someone targeting the document’s vulnerabilities.”

Because the design changes rarely impact price in a significant way, clients are receptive to the changes. Moreover, they see Eller as a professional who has their best intentions in mind. It ultimately gains the respect, trust and confidence that can strengthen the client-distributor relationship. Being proactive, in other words, not only advances the proposition; it’s also a great way to separate yourself from the competition.

That credibility is especially important when it comes time for more significant changes. Because clients invest significant amounts of time and money into a document’s design, they sometimes hesitate to make necessary changes. In those instances, Eller acknowledges that pushing proactive document security solutions can be challenging.

“They may want to maintain the design itself, no matter if it’s a form or a security document. And that makes it more difficult if you don’t have the audience or relationship to educate or they don’t want to take the time,” he says. For instance, one of Eller’s current clients is issuing a document that lacks adequate protection and could be a ripe target for counterfeiting.
But simply getting everyone in the same room to address the situation means navigating a bureaucracy.

“It isn’t just one person or department that approves changes. It goes up the ladder, through all these different departments. It really is an effort to bring it to their attention,” he says, even if it means reaching out to every single stakeholder. “Get them all together. Take them out to lunch. I started by getting all these people’s names and getting hold of them. That’s what you have to do. It’s work,” he says.

Stay on Top of Regs, If You Can

Editor’s Note: This story was reported January 2019 and does not reflect recent updates.

The situation in California offers an insight into the ways that selling document security is different than other types of printing.

It’s difficult to feign expertise in document security. To become an expert requires a certain dedication to the discipline. In part, that’s because state and local governments play a role in mandating levels and types of security in key industries, along with rules about recordkeeping and archiving. True experts are plugged into the ways legislative and regulatory action can impact their clients’ document security.

But some manufacturers and distributors take it a step further. To stay on top of regulations is one thing. To influence and impact them is another. Legislators and rule-makers aren’t experts in every domain. They seek and welcome outside advice on how to shape policies.

Micro Format’s Aaron Singer recalls contributing to the establishment of document security specifications in the state of California. “The original medical specs — we helped establish those. And with Medicaid, we helped shape those guidelines, in terms of which security features fit the categories for Medicaid,” he says.

Initially, specifications required that documents have categories of features, such as one that prevents it from being copied, one that prevents it from being altered and so on. The problem? “They wouldn’t tell us which features fit each requirement,” Singer says. Micro Format proactively catalogued available features and segmented them by category to help customers be compliant. The state adopted its scheme. “We put it out there and said these are the...
recommended features, and that became the standard,” he says.

Jessica Wenz, health care product manager at Wilmer, recalls a distributor partner in Delaware who attended State Board of Pharmacy meetings. When the board began discussing guidelines for prescription pads, he alerted his local manufacturing sales representative, who also began attending meetings, giving them an early heads-up on where regulations might go.

**When Regs Go Awry, Be a Hero**

Of course, it’s not always possible to get ahead of regulatory changes. Sometimes they come out of nowhere, and the best you can do is fall back on accumulated knowledge and expertise in response.

Case in point: A law took effect on Jan. 1, 2019, in California that mandates changes to prescription pads. Unfortunately, the exact changes came with little warning. Sometime in November 2018, the state’s Justice Department notified approved manufacturers that changes were coming, says Wenz.

In mid-November, the California Department of Justice held a webinar detailing the changes. Specifically, prescription pads would be required to include a new serial number. With fewer than three weeks turnaround time, the announcement created a flurry of activity. Due to the holidays, some hospitals and their distributors were unaware of the change. “Word didn’t spread around that they needed to order new scrips,” Wenz says. “So then pharmacies were turning people away.”

Wenz says the State Board of Pharmacy was unaware that the Department of Justice had changed their guidance for prescription pads. Subsequently, it issued a notice temporarily suspending enforcement actions against pharmacists presented with Schedule II, III, IV and IV prescriptions through July 1.

Meanwhile, manufactures like Wilmer worked overtime to produce compliant pads as quickly as possible. “We had a customer placing 60 orders a day, every day, the first week of January so all their customers would be updated with the new scripts,” Wenz says.

**Being proactive is not only good security practice; it’s also a good way to defend against competitors.**

A Latent Image Alternative to Intaglio

In the already specialized world of document security, vital records belong to an even more rarified class. These are the most sensitive of all documents: currency, birth certificates, passports, drivers’ licenses and so on.

The demand for innovative security measures is driven by the nature and value of these documents. Criminals are eager to find ways to reproduce them, so the need for fresh high-end security features is constant. But there’s another driving factor: the limited number of suppliers who can manufacture high-end features. If or when one of them has a setback, the capacity to produce a crucial technology can practically vanish, sideling critical security features.

That was the case with intaglio printing, says George Phillips, CEO of Pro Document Solutions. When major intaglio print suppliers began shutting down or shrinking capacity, a variety of government agencies felt the squeeze. Many even mandated intaglio print as part of their vital records.

This was the problem that spurred Pro Document Solutions to create something new, a feature that would be equally, if not more, secure than intaglio and be less prone to supply chain disruptions. The solution: A method of producing transitory latent images using semi-transparent diffractive optically variable image device (DOVID) film.

“It’s a combination of a latent image, because you can only see it from certain angles of light, with a holographic image, which is three or four images within the latent image,” Phillips says. In U.S. Vital Records, the images are printed as a ‘V’ on the left side of the document and an ‘R’ on the right side, but they could be any design, depending on the client and the application.

“Intaglio, with its ability to print latent images and very fine detail, is still very high-end. The problem is, the time it takes for the printing process and the cost — that combination drives the overall price up,” Phillips says. “The optical variable solution we use in place of intaglio runs about half the cost. Any security printer can do this. It requires equipment and expertise to do, but there’s quite a few printers that can do it.”

And those are some reasons the feature is suitable for documents that require robust security but aren’t considered vital records, including transcripts, bus passes, and gift certificates. “It depends on the customer’s perception,” Phillips says. “If the customer needs an instant verifiable security feature, then it’s good on any document.”

Andrew Brown is a freelance writer in Alexandria, Virginia, and owner of Methodical Writing (www.methodicalwriting.com).
POINT OF VIEW: SELLING CHECKS TO A NICHE MARKET

BY BOB BURDETTE, PRESIDENT OF MULTI BUSINESS SYSTEMS

Agriculture labor contractors have a high number of employees that are almost all temporary, and many of the contractors will have literally hundreds of employees that are paid weekly. For our part (forms distributor ship chain), turnaround time on print check orders is of the utmost importance, and anything that keeps fraud to a minimum means that the contractor can keep their account open and not have to change accounts.

Most agriculture payroll checks are cashed at local markets close to the fields being harvested, and it is at these markets that fraud usually occurs. It is not uncommon to have criminals pay employees cash for more than the amount of the payroll check to take possession of a “live check” with all the account information. Once they have the information from the live check, they will either order checks online or purchase checks from a big-box retailer, along with the software that can be purchased at the same store, and begin printing checks with all the correct information. Many times, the check looks nothing like the contractor’s check — different colors and lacking logos.

Therefore, we admonish our contractor-clients to use both overt and covert security features that are easily distinguishable and hidden. We encourage them to frequent the markets that cash their employees’ checks and show them their check and the security features to look for and how to know the difference between their check and a fraudulent check.

We also admonish all our customers to consider using Positive Pay. Positive Pay is to your checking account what anti-hacking software is to your server. It matches information on the checks authorized for payment with the information on checks that are presented for payment.

Combining overt and covert security features with banking software creates a one-two punch that creates peace of mind for clients, allowing time to be spent on more pressing issues than dealing with check fraud.

In general, we sell a great deal of checks with what we call the minimum amount of security features that still constitute due diligence. Many clients are jaded by the lack of any law enforcement for counterfeiting. Recently, we have encountered two different criminals attempting to order checks using our customers’ account information. We contacted the police in both instances, in two different law enforcement jurisdictions. In one case, we were able to persuade the police to visit the address (we did not process the order), and what they found was a complete shop making counterfeit money and checks.

As for the more recent attempt, we could not convince the police to do anything except thank us for being “Good Samaritans.” The would-be criminal kept calling, asking for his checks, and we finally told him we needed to ship them to the address affiliated with the records at the bank. He hung up and has not called back. We have his address, his cellphone number, his name … but the police are not interested.

For the most part, bookkeepers will do the payroll for several agriculture labor contractors. This makes it difficult to have one-on-one discussions with the contractors. Thus, educating the bookkeepers or verifying they are current in their knowledge of security features and bank offerings is paramount. Many contractors have other family members that own their own labor contractor company, and they will share their resources with one another. Once entrusted with their checks for payroll, a distributor can begin asking for the peripheral forms, labels and promotional products used within the industry.