

# Small Business News & Notes

## Identity Theft—A Big Challenge For Small Businesses

(NAPSA)—According to the Federal Trade Commission (FTC), the number of identity theft and fraud complaints grew to 635,173 in 2004, up from 516,740 a year earlier. The FTC reports that many identity theft incidences can be attributed to businesses improperly discarding customer and employee data.

Soon, those same businesses and employers will be affected by new provisions of FACTA (Fair and Accurate Credit Transaction Act). Under the Disposal Rule, companies can, among other things, implement policies and procedures that require consumer and employee information and documents be burned, pulverized or shredded, and electronic media containing these documents must be erased or destroyed.

However, a recent survey conducted by Office Depot shows that 97 percent of employed adults do not fully understand the new rules and regulations associated with FACTA, and only half of employed adults say they shred confidential employee information before discarding.

“By taking the right preventative measures to protect your business, your employees and your customers, you will steer clear of the potential repercussions of dealing with an incidence of ID theft,” said Cathy Gordon, a leading expert on the proper handling and disposal of documents. Gordon, who is also a Senior Writer and Analyst for the Consumer Media Group of CCH Tax and Accounting, has teamed up with Office Depot to offer advice and information about information protection.

Here are some of her tips:

- Create an “information protec-



**Recent legislation places new demands on businesses when it comes to disposing of customer and employee information.**

tion station” to make sure all confidential personal and company information is shredded before it is discarded.

- Password-protect files with personal, customer or employee data and only provide electronic access to those employees who need it.

- Do not ask customers for social security numbers unless absolutely necessary. If you must ask for social security numbers, truncate the number in your records wherever possible.

- In accordance with FACTA, businesses that print out cash register receipts should make sure credit card numbers are partially truncated to prevent theft.

“Office Depot understands the unique demands placed on small businesses, and therefore we know that information protection is an essential part of their business operation,” said Chuck Rubin, Executive Vice President and Chief Merchandising/Marketing Officer at Office Depot.

To learn more, visit the Web site at [www.officedepot.com/links/smallbusinessmonth](http://www.officedepot.com/links/smallbusinessmonth).