



How to beat the bin raiders

By Mike Stranders, European Product Manager Workspace Tools, Rexel

IDENTITY theft is the fastest growing form of fraud in the UK, increasing 165% in the past year. It occurs when personal or confidential information is obtained by someone in order to create a new false identity. Corporate identity theft may include stealing the identity of a company and fraudulently trading under that name without the knowledge of the legitimate business.

The average identity fraud costs each company £2m, according to Metropolitan Police estimates.

Fraudsters who practice “bin raiding” pay people to go through the rubbish companies throw out. In 2002, UK credit reference agency Experian found that 94% of businesses threw out documents containing the names and addresses of staff; 20% had thrown out their bank details; 44% threw out a utility bill; 41% threw away financial records; and 61% had disposed of documents with a signature on it (24% had a director’s signature).

Bin raiding is often combined with accessing publicly available company records to change names of principals and registered addresses. All businesses are, therefore, at risk of having their identity stolen. Thieves will trade off the back of the real company’s good name to obtain goods and services on credit from suppliers. Your clients, colleagues and suppliers

expect their information to be handled with care and it is your company’s responsibility to ensure it does not get into the wrong hands by disposing of documents securely.

According to recent research by office products manufacturer Rexel UK, two-thirds of the population fail to completely destroy confidential documents when they have finished with them, but businesses have a duty of care to protect their customers’ and employees’

information, as well as a legal obligation under the Data Protection Act to keep it up to date and accurate. The seventh principle of the act states that “appropriate technical and organisational measures”

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must be taken to protect personal data and gives advice on appropriate security measure. However, many companies are still surprisingly unaware of the act and its stringent requirements.

One survey revealed that over 90% of established business with turnovers exceeding £1m felt they needed reminding of, or were not familiar with, current guidelines regarding the disposal of confidential business information. Only 25% of businesses feel satisfied that their business disposes of confidential information in a secure manner. For more information about the Data Protection Act, visit www.informationcommissioner.gov.uk.

Shredding documents is the best way to dispose of them securely and prevent criminals gaining access to sensitive company information fraudulently. Having a well-formulated document disposal policy in place and adhering to it is the first crucial step in protecting your business and employees from identity fraud. This policy should outline the information businesses are required by law to keep for a certain period of time – for example, personnel records must be kept for seven

years. Ensure everyone knows the policy and that it becomes company practice to shred all unwanted documents of a confidential or sensitive nature before binning or recycling them.

When choosing a shredder to meet your business needs, it may be more effective to have a number of small-office models rather than one centralised machine – unless you have large quantities of documents to shred. It is much safer to shred sensitive material on the spot, as soon as it is no longer needed. Photocopiers and remote access colour printers represent prime risk areas in any office, so make sure there is a shredder close at hand.

Ensuring you choose the right shredder depends very much on your security needs as well. Ribbon-cut shredders tear paper into long strips, which vary in width according to the security level. Confetti-cut shredders chop paper into tiny chips, offering a very high level of security. They also have other advantages over other models in that the shredded chips compact under their own weight, so waste bins need emptying less often. ■

