

THE BUSINESS OF SECURITY

By Jerry Pierce Jr., The Interamerica Group

September 11, 2001. I was in downtown Washington DC when the attack began. While watching the smoke from the first plane billow out of Tower 1 of the World Trade Center on the television, I turned and saw out of the office window similar smoke rising up from the US Pentagon Headquarters. Imagine. The center of American military strength, defense and security had just been brazenly attacked in the broad daylight of that now infamous day. The attacks of 9/11 were a vivid and televised display to the world of America's vulnerability and the genesis of what has grown into today's security industry.

After 9/11, the Department of Homeland Security was formed. The DHS combined 22 different federal departments and agencies into a unified, integrated cabinet agency in 2002. Also, as a result of the attacks, the position of Director of National Intelligence was created to consolidate and lead the seventeen agency members of the Intelligence Community. The USA PATRIOT ACT, which gave the government greater temporary powers to investigate individuals in the name of national security, was signed into law by President George W. Bush on October 26, 2001. The title of the act is a ten-letter acronym (USA PATRIOT) that stands for Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001. On May 26, 2011, President Barack Obama signed a four year extension to the law. Billions of dollars were allocated to improve all areas of security which incentivized new and existing companies to position themselves in order to meet this increased demand for security related products and services.

Today, security challenges and opportunities for business have never been greater. There are now varieties of potential security threats



around the globe. The threat of radical Islamists and sympathizers has continually raised national security concerns for all countries. Access to the internet has allowed radical groups like ISIS to connect to and recruit individuals in all corners of the planet and, in doing so, create potential security threats from within nations and by their own citizens.

Perhaps a greater and more challenging threat to civil society comes from cyber-attacks that can remotely disable the infrastructure of a nation, disrupting societal activity and causing widespread chaos. These cyber-attacks are happening daily to governments and major corporations. Personal credit card numbers have been stolen from major retailer's computer networks and sold over the internet. Power grids, nuclear plants, oil pipelines and many others important critical utilities in the United States have been targeted.

Meanwhile, security issues related to drug trafficking and crime continue to be a serious problem in places like Latin America where our firm, The Interamerica Group (TIG), has been doing business for several years. In Brazil, and many other countries in the region, armed

robbery, car-jacking, and drug related crimes are a major problem, not only for security, but also for the economy. Figures show that the cost of criminal and violent acts in Brazil is now 5.4% of the GDP. Security was one of the top issues in Brazil's presidential election last month and is the principal issue now in countries like Colombia, Ecuador, Guatemala, El Salvador, and Mexico.

These security threats are projected to increase over the next several years and perhaps become a part of a new societal paradigm. Nevertheless, security threats must be contained and with this comes a myriad of business opportunities. In Washington DC, our firm is collaborating with cyber and healthcare security partners to protect the healthcare information infrastructure. As more critical information, including confidential Healthcare data, migrates to the Cloud, a greater emphasis is being placed on obtaining proven software and technology to protect that data. Governments worldwide are investing in technologies to thwart the daily efforts of individual as well as government sponsored hackers.

Together with our team in Brazil, TIG offers comprehensive security strategies based on analytic data to both prevent and fight criminal activity. The development and implementation of these security measures are imperative to the stabilization of the daily life of the citizens in Brazil as well as to provide security and protection during special events that attract multitudes such as this year's World Cup and the upcoming 2016 Olympics. These international, popular, and highly attended events require extensive cyber security preparedness as experienced during the 2012 London Olympics where British Telecom revealed that over 200 million hack attempts were made on the official website.

When we think of the future as it pertains to the business of security it must be understood

that most of today's security services are being driven by technology. Even our physical security partners, who are in charge of security at stadiums and other sports and entertainment facilities, are relying on technologies such as credential scanning, digital ID bands, biometric recognition and data analytics. Business opportunities will grow in order to meet the ongoing cyber security challenges. These technologies are adapting and evolving every day creating new business opportunities for innovative companies. There is no management without IT. Similarly, there is no security without IT.

I have just scratched the surface regarding the business opportunities in the area of security. But, one thing is certain. The challenges and complexities of securing today's society are real and will be around for years to come •



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Mr. Pierce has over twenty years of experience working in Washington D.C. on issues related to the federal government. He has been involved with business and social projects both working and living in Latin America for over 30 years. Over the last 10 years Mr. Pierce has been successfully assisting American companies enter the Brazilian and Latin American market place. TIG also adds companies from Latin America to enter the US market. His time is divided evenly between the United States and Brazil and is fluent in English, Spanish, and Portuguese.