EXECUTIVE REPORT

THE MISSION

COMBINING TECHNOLOGY, PUBLIC POLICY AND ECONOMICS TO CREATE A SUSTAINABLE SYSTEM OF CYBER SECURITY.

THE PROCESS

THOUGHT LEADERSHIP

ADVOCACY

CUTTING-EDGE PROGRAMS
THE INTERNET SECURITY ALLIANCE (ISA)

Although ISA is structured as a multi-sector trade association, it is actually a unique organization that combines the thought leadership that might be found in a “think tank,” with advocacy one would expect from a trade association, and operational security programs that might be found in a professional association. ISA was founded in 2000 in collaboration with Carnegie Mellon University. ISA membership is open to public and privately held entities and currently has substantial participation from the aviation, banking, communications, defense, education, financial services, health care, insurance, manufacturing, security and technology industries.

THE ISA’S PRO-MARKET APPROACH

The ISA believes that the ubiquitous and interconnected nature of digital technology demands that industry and government work collaboratively on their mutual security interests.

A traditional government regulatory model will not work in combating the quickly evolving cyber threats. Instead, market forces need to be more affirmatively harnessed to create an appropriate incentive structure to enhance the security of the information infrastructure.

The ISA has laid out this model in a 21st Century “Social Contract,” which integrates both the technological and economic aspects of cyber security. The ISA also initiates and operates pragmatic programs to demonstrate leadership in achieving a more sustainable cyber system.

THE ISA’S GOALS

The ISA has three programmatic goals:
1. To demonstrate thought leadership in advancing the development of a sustainable system of cyber security;
2. To advocate for public policy that will advance the interests of cyber security; and
3. To create increased awareness and programs that will result in more rapid adoption of cyber security standards, practices and technologies.

ISA SPONSORS RATE ISA VALUE PROPOSITION

Each year, ISA members are polled to determine how well ISA is doing in meeting the organization’s goals and how they would rate the ISA value proposition for their company. Below are five year averages for these questions (1= not meeting the goal/value; 5= maximum goal/providing value).

ISA meets goal of Providing Though Leadership ........................................ 4.6 out of 5
ISA meets goal of successful public policy advocacy ................................... 4.8 out of 5
ISA meets goal of stimulating awareness & adoption of good security practices .................. 4.2 out of 5
ISA provides value proposition to its members ......................................... 4.8 out of 5

ISA is supported entirely by member company annual dues. Regular memberships are $25,000. Sponsorships – which include a seat on the Board & premium service – are $70,000. Smaller firms can become Associate members for $5,000.
ISA THOUGHT LEADERSHIP SUCCESS

Perhaps the clearest evidence of ISA’s thought leadership impact is the fact that its core approach to cyber security is central to the policy development of both President Obama, in his “Cyberspace Policy Review,” and Congressional Republicans, as evidenced in the House Republican Cyber Security Task Force Report.

ISA WHITE PAPERS AND POLICY STATEMENTS

The first source cited in President Obama’s “Cyberspace Policy Review’s” Executive Summary was the ISA “Social Contract.”

ISA White Papers and policy statements are cited in the administration’s report 4x more often than any other single source – see the following page, p.3, for a list of citations.
ISA THOUGHT LEADERSHIP—THE CYBER SECURITY “SOCIAL CONTRACT”

The ISA “Social Contract” outlines a 21st century approach to enhancing cyber security, which relies on market incentives, not centralized government regulations. Since its release in 2008, its central tenants have been embraced by President Obama’s 2009 “Cyberspace Policy Review,” the multi-trade association/civil liberties white paper on cyber security released in early 2011, and the House Republican Cyber Security Task Force Report of Recommendations released in 2011. In 2012, a bipartisan congressional working group to resolve cyber security issues via incentives was created and the World Institute for Nuclear Security also sought to adapt ISA’s incentive model to the nuclear industry.

BELOW: IN PRESIDENT OBAMA’S “CYBERSPACE POLICY REVIEW,” ISA WHITE PAPERS AND PROJECT REPORTS WERE CITED 4X MORE OFTEN THAN ANY OTHER SOURCE.

CYBERSPACE POLICY REVIEW

- Internet Security Alliance, “ISA Comments to Hathaway on Creating an International Cyber Security Anchor Program” (undated)
- Internet Security Alliance, “ISA Initial Comments on Hathaway 60-Day Review – A Top 10 List of Cyber Principles” (undated)
- Internet Security Alliance, paper by Larry Clinton entitled “Cross Cutting Issue #2 How Can We Create Public Private Partnerships That Extend to Action Plans That Work?” (undated)
- Internet Security Alliance, paper by Larry Clinton entitled “Cyber-Insurance Metrics and Impact on Cyber-Security” (undated)
- Internet Security Alliance, paper by Larry Clinton entitled “Issue Area 3: Norms of Behavior – Hathaway Questions” (undated)
- Internet Security Alliance, paper by Scott Borg entitled “Securing the Supply Chain for Electronic Equipment: A Strategy and Framework” (undated)
Above: Melissa Hathaway, National Security Council Acting Director for Cyberspace receives ISA award to thought leadership from Board Chairman Ty Sagalow (Zurich, 2008-2011) at an ISA Board Salon Dinner.

Above: President Obama’s National Cyber Security Coordinator, Howard Schmidt, confers with ISA Board Member Lt. Gen. (Ret.) Charlie Croom of Lockheed Martin at a recent ISA Board meeting.

Above: ISA President Larry Clinton was elected Chair of the IT Sector Coordinating Council, the primary interface between DHS and the IT sector for cyber security.

Above: Michael Chertoff, former Secretary of the Department of Homeland Security, at the ISA Board’s annual Salon Dinner. From left to right, pictured with Secretary Chertoff are B. Hensley (Dell SecureWorks), ISA Board Vice Chair J. Brown (Raytheon), and ISA Board Chair T. McKnight (Northrop Grumman).

ISA BRINGS MEMBERS AND POLICY MAKERS TOGETHER

ISA regularly brings members into direct contact with senior policy-makers, such as, through its twice-annual Board Salon dinners. In addition, ISA is actively involved in numerous public-private partnerships including the Sector Coordinating Councils, the Cross Sector Cyber Working Group, the Partnership for Critical Infrastructure Security (PCIS) and others. Participation in the public-private partnerships facilitates corporate involvement in implementing cyber policy with the federal government. ISA participation allows for independent thought leadership, private sector program development and advocacy, which the partnerships can’t provide.
ISA HISTORY OF THOUGHT LEADERSHIP SUCCESS

For a more than a decade, the ISA has been engaged in thought leadership by creating and operating programs designed to enhance our nation’s cyber security. ISA accomplishes this by extensively leveraging the wisdom and experience of the security professionals in its membership.

ISA has regularly initiated programs to advance the state of cyber security well before the subjects become generally recognized in the field. Some examples of these groundbreaking programs are listed below.

### HISTORIC EXAMPLES OF ISA THOUGHT LEADERSHIP IN CYBER SECURITY

- **2001**, ISA becomes the exclusive provider of threats and vulnerability information to the private sector from CERT/cc at Carnegie Mellon University.
- **2002**, ISA published its first set of best practices targeted to senior corporate managers.
- **2002**, ISA published its first set of best practices for mobile executives.
- **2003**, ISA created its first of 3 sets of best practices to combat insider threats.
- **2005**, ISA chaired the Congressionally appointed Cross Sector Cyber Security Working Group on the use of market incentives, rather than regulation, as a means to improve cyber security.
- **2006**, ISA in collaboration with Carnegie Mellon University launched its first effort to secure the IT supply chain. The U.S. Cyber Consequences Unit joined the leadership team in 2007.
- **2007**, ISA launched its first effort with ANSI to provide an action guide for enterprises to better understand and correct their financial risk of cyber events.
- **2007**, ISA launched its efforts with NIST to take the SCAP automated security system designed for the federal desktop and begin to apply it to unified communication platforms such as VoIP.
- **2008**, ISA published the “Social Contract” for Cyber Security, describing how market based economic incentives can be a more effective tool for cyber security than government regulation.
- **2009**, President Obama releases the “Cyberspace Policy Review,” more than a dozen ISA white papers are cited in the report—4x more than any other source.
- **2009**, U.S. State Dept. sends ISA President Larry Clinton to brief the NATO Cyber Excellence Center on the Social Contract approach, and from there, to Brussel to do the same with the EU.
- **2010**, ISA published the “The Financial Management of Cyber Risk” describing a full enterprise-wide model to assess the economics of cyber events.
- **2010**, in a meeting with President Obama, U.S. Commerce Department Secretary Locke cites the ISA security checklist for smart phones as one of the major accomplishments in cyber security that year.
- **2011**, the House Cyber Security Task Force released a report of legislative recommendations—which closely follows ISA recommendations.

Below: Jeffrey Ritter, President of Ritter Academy with ISA Board Chair, Ken Silva (VeriSign, 2005-2009), at the release of ISA’s Best Practices for Contracts enforcing security to partners and vendors.

Below: ISA is an industry collaboration with Carnegie Mellon University (CMU). CMU Provost Dr. Mark Kamlet is shown releasing one of many ISA “Best Practices” publications.
ISA understands that cyber security is more than a technology issue—it is an enterprise-wide risk management issue.

It is as misguided to think of the future of technology without considering economics as it would be to think of the future of economics without understanding information technology.

ISA has been a leader in developing the economics of cyber security both at the enterprise level and public policy level.


ISA first started advocating the use of a more finance-based focus to enterprise cyber security in 2007, and continued this focus in subsequent publications in 2010 and 2012. ISA has steadfastly advocated for this approach in numerous technical and business fora, including on business cable programming such as “Squawk on the Street,” “Power Lunch,” and elsewhere.

Independent research conducted by PricewaterhouseCoopers and others has documented a steady adoption by major enterprises of models that track ISA ideas, including an increase in financial investment in cyber security.

Additionally, ISA publications are now in use at major universities including Harvard, Loyola and the U. of South Carolina. They are also being used by major accounting and auditing organizations to assist organizations in improving their financial analysis of cyber risk and in response to the U.S. Securities and Exchange Commission’s (SEC’s) advisory on cyber threats.
ISA engages its members in a direct, consistent, bipartisan and effective public policy program.

ISA differs from other D.C. organizations in that it regularly brings security professionals from its members into contact with senior policy makers.

The ISA membership not only educates lawmakers about the rapidly evolving cyber threat, but also demonstrates that centralized government mandates will not be as effective in addressing the modern and dynamic cyber threat, as will the market-based incentives that were embraced in the ISA “Social Contract.” Moreover, excessive government mandates could create economic disadvantages, crippling needed investment and innovation.


Below: ISA Board Meeting with Sen. Susan Collins (R-ME), Ranking Member of the Homeland Security and Governmental Affairs Committee.

Above: ISA Board Meeting with Sen. Joseph Lieberman (I-CT), Chairman of the Senate Homeland Security and Governmental Affairs Committee.
ISA THOUGHT LEADERSHIP IN PUBLIC POLICY

ISA is the leader in articulating how a pro-market public policy based on the use of market incentives can lead to a more effective and sustainable system of cyber security than would a traditional regulatory model.


Above: ISA Board, including G. Fredriksen (Tyco) and D. Graziano (Symantec) meeting with Rep. Mike Rogers (R-MI), Chairman of the House Permanent Select Committee on Intelligence.

Above: ISA Board Chairman (2003-2006) Ken Silva (VeriSign) and ISA President L. Clinton being sworn in prior to testifying before the House Permanent Select Committee on Intelligence.

Above: ISA President L. Clinton testifying before the House Committee on Oversight and Government Reform.

ISA—BIPARTISAN ADVOCACY

ISA is a cross-sector organization and practices an aggressive, diverse and bipartisan public policy.

Right: ISA Board meeting with Rep. Mike McCaul (R-TX), Co-Chair of Congressional Cyber Security Caucus, pictured with Congressman McCaul from left to right are: Jeff Brown (Raytheon), Tim McKnight (Northrop Grumman), Tom Jackson (Phillips Nizer LLP), Marc Sachs (Verizon), Cheri McGuire (Symantec), Larry Clinton (ISA), Rep. McCaul, Ty Sagalow (Zurich), Gary McAlum (USAA), Rick Howard (VeriSign), Brian Raymond (NAM), Tom Kelly (Boeing).


Above: Starting clockwise from lower left, it is ISA President Larry Clinton testifying before the House Homeland Security Committee, Chairman Dan Lungren (R-CA), Hearing Witness Panel including Melissa Hathaway and L. Clinton, and Ranking Member Yvette Clarke (D-NY).

Right: Sen. Sheldon Whitehouse (D-RI), Co-Chair of the Senate Bipartisan Task Force on Cyber Security, meeting with ISA Board.
ISA—CONGRESSIONAL ADVOCACY

The ISA has been asked to provide expert Congressional testimony 18 times since 2001. The expertise and diversity of the perspective provided by ISA and its member companies is critically needed to create an effective and sustainable cyber security policy.

Left: ISA President Larry Clinton testifying before the Senate Judiciary Committee.


Above: ISA President Larry Clinton testifying before the House Energy and Commerce Subcommittee on Internet and Telecommunications.

Left: ISA Board leaving the Cannon House Office Building. Pictured Board members from left to right are Marc Sachs (Verizon), Larry Clinton (ISA), Tim McKnight (Northrop Grumman), Rick Howard (VERISIGN) and Gary McAlum (USAA).
Above: Scott Borg, head of the U.S. Cyber Consequences Unit and Staff Director of the ISA Supply Chain Project, releasing the ISA framework for supply chain management.

Above: The Chairmen of the Congressional Cyber Security Caucus, Reps. Mike McCaul (R-TX) and Jim Langevin (D-RI), host a Capitol Hill briefing by ISA President L. Clinton and ISA Vice Chairman Jeff Brown (Raytheon) on how the so-called “Advanced Persistent Threat” style attacks can be better mitigated with a novel model of information sharing.

Above: ISA President L. Clinton introducing the ISA program on the reality of cyber attacks as depicted in the movies.

Above: ISA Board Chairman Tim McKnight (Northrop Grumman), ISA Immediate Past Board Chairman Ty Sagalow (Zurich), ISA Guest CEO Jody Westby (Global Cyber Risk LLC), and ISA Board Vice Chairman Jeff Brown (Raytheon) playing “Cyber Jeopardy!” before a Capitol Hill audience.

Above: Commerce Secretary Locke and President Obama at a White House meeting with industry to review one year’s progress implementing the “Cyberspace Policy Review.” Secretary Locke cited the ISA’s program on securing mobile platforms, such as, VoIP and smart phone platforms, as one of the year’s most significant cyber security accomplishments.


Above: ISA President L. Clinton. One of the outgrowths of the increased emphasis on the economics of cyber security was the Securities and Exchange Commission’s (SEC’s) 2011 Advisory – CF Disclosure Topic #2 – that publicly traded enterprises ought to report material risk from cyber attacks. ISA has launched an analysis of the implementation of this Advisory.
ISA—INTERNATIONAL OUTREACH

Cyber security is an international issue and ISA is open to an international membership as it expands its efforts to Canada, Europe, Asia and Latin America.

Above: ISA President Larry Clinton and former Secretary of the Department of Homeland Security Michael Chertoff were the two keynote speakers at the World Institute for Nuclear Security (WINS) forum in Vienna last year. A central theme of the forum was how to apply ISA’s “Social Contract” incentive model to enhance nuclear security world-wide.

Above: ISA President L. Clinton with Andrea Servida, Deputy Head of the European Commission’s (EC’s) Internet, Network and Information Security Unit, Information Society and Media Directorate-General, ISA Board member Joe Buonomo (Direct Computer Resources), and Joern-Uwe Heyder, Second National Expert for the EC’s Internet, Network and Information Security Unit. Upon the European Commission’s (EC’s) request, ISA met with EC Officers to discuss how the United States and the 27 European Union states could strengthen their cross-border partnership on issues regarding cyber security and information protection. The EC has referenced the ISA “Financial Management of Cyber Risk” publication several times in developing its questionnaire for the European Public-Private Partnership for Resiliency (EP3R), and, more specifically, the ISA’s Cyber Security “Social Contract” concept between government and the private sector.

Above: Chris Painter, Coordinator for Cyber Issues for the U.S. State Department with Immediate Past ISA Board Chairman Ty Sagalow (Zurich).

Right: The U.S. State Department flew ISA President L. Clinton to the NATO Cyber Centre for Excellence in Talinn, Estonia as well as to the Organization of American States’s (OAS’s) Conference in Buenos Aires, Argentina to provide a briefing to both these bodies on the ISA’s incentive-based model for enhancing cyber security internationally.
ISA has become one of the premier advocates for increased attention and investment in cyber security. ISA increases awareness through a multi-media effort. Such ISA mass media and trade journal appearances include, among others:

- CNN’s “The Situation Room with Wolf Blitzer,”
- CNN International,
- PBS’s “The News Hour with Jim Lehrer,”
- Fox News,
- CBS News’s “The Early Show,”
- CNBC’s “Power Lunch” and “Squawk on the Street,”
- C-SPAN’s “The Communicators,”
- USA Today,
- National Public Radio’s (NPR’s) “Morning Edition,”
- Washington Post’s “Live Forum,”
- The Journal of Strategic Security, and
- The Cutter IT Journal.

While ISA President Clinton conducts much of the ISA outreach, ISA regularly facilitates the participation of its member-company personnel in its creative and innovative programs.
ISA BOARD OF DIRECTORS

Tim McKnight
ISA Board Chairman
Northrop Grumman
VP and Chief Information Security Officer

Jeff Brown
ISA Board Vice Chairman
Raytheon
VP and Chief Information Security Officer

Gary McAlum
ISA Board Second Vice Chairman
USAA
Chief Security Officer

Larry Clinton
Internet Security Alliance
President and CEO
lclinton@isalliance.org

Tim McKnight
ISA Board Chairman
Northrop Grumman
VP and Chief Information Security Officer

Jeff Brown
ISA Board Vice Chairman
Raytheon
VP and Chief Information Security Officer

Gary McAlum
ISA Board Second Vice Chairman
USAA
Chief Security Officer

ISA is supported entirely by member company annual dues. Regular memberships are $25,000. Sponsorships – which include a seat on the Board & premium service – are $70,000. Smaller firms can become Associate members for $5,000.