

**GSN ANNOUNCES:**  
BPA audit verifies 35,000+ GSN readers  
GSN will go bi-weekly in January

# GSN • Government Security News

**Oracle's Chief Security Officer, Mary Ann Davidson, means business**



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## DHS mulls high-security container seal mandate

*Under secretary embraces panel's recommendation*

By JACOB GOODWIN

Despite a plethora of new *electronic* approaches to sealing and securing maritime shipping containers, an industry advisory committee to the Departments of Homeland Security and Treasury has recommended that DHS take only a partial step by requiring shippers to use high-security *mechanical* seals



DHS may require shippers to use "high-security seals," such as bolts (left) or cables on inbound containers

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## Defense, IT & security firms vie for homeland contracts

By DAVID BATES

The future for systems integrators in the homeland security market appears fairly rosy, according to major players in that market segment. But determining who will be the big homeland security systems integration (SI) contract winners — the defense contractors, the IT sector, or



the traditional security firms can be a complicated undertaking.

Much of the systems integration work during the first 18 months of the Homeland Security

Department's existence has focused on traditional security missions, says Tom Simmons,

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## U.S. Air Force takes new tack on security training

By STEVEN E. BRIER

When Brig. General James Shames, director of security forces for the U.S. Air Force, wanted to raise standards for his senior security officers, he could have done things the tried and true way and set up another training school. After all, the military has schools for everything from truck driving to international relations. But that, he says, would not have served the Air Force's needs.

"You can always set something up in the military, but you are always doing the task list," Gen. Shames said. He was after something more than the typical school curriculum, something that would show mastery of a subject as well as flexibility. "The military pushes directly toward its primary mission and those missions change," he said.

Instead, Gen. Shames started a program in the fall of 2003 to have up to 1,000 of the Air Force's security personnel strive for Certified

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## GSN is on the move...

GSN: Government Security News, an authoritative newspaper covering the government security marketplace, has received its initial circulation audit from BPA Worldwide verifying that it has been distributing more than 35,000 copies each month to government officials and industry executives. Based on the strong support GSN has enjoyed from its readers and advertisers since its inception, the publication announced that it will begin publishing bi-weekly, beginning in January 2005, and will produce a total of 22 issues next year.

"We're very proud to be answering the call from our readers and advertisers to double the frequency of our newspaper in 2005," said publisher Ed Tyler. "We'll not only be able to cover more news more quickly, but we'll be able to provide more finely-tuned marketing opportunities for companies trying to reach this market."

## Heavy IT work load inspires automated network auditing

By RANDY BARRETT

Protecting a network is futile if you don't know which doors and windows sit wide open to the world. Luckily, auditing technology is rapidly improving to give system administrators up-to-the-minute vulnerability information.

What started a few years ago as an obscure craft practiced by a select group of security consultants has blossomed into an industry based primarily on automated scanners capable of



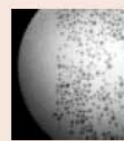
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## Covering Physical & IT Homeland Security Solutions

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MadahCom's emergency notification system safeguards visitors and employees at the Statue of Liberty  
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Glenbrook Technologies makes a high magnification camera that can spot hazardous biological materials in luggage  
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The CardMan 5121 reader from Omnikey can interface with both contact-based and contactless smart cards  
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A Symposium on Physical Security Protection  
Washington, DC — November 9, 2004  
See page 26 to learn how to register

# Companies are competitors one day and partners the next

director of federal sales for technology security firm Trend Micro Inc., of Tokyo, Japan.

"My sense is that the lion's share of the money today has gone to what is termed traditional security," says Simmons, whose anti-virus IT firm has been a subcontractor to larger systems integrators. "A lot of the funding has been going to the security sector. You're finding a lot of people, who would not normally be going out in that sector, going out and hiring talent from that sector."

The most recent DHS procurement data support Simmons' contention.

According to the department, DHS (and its 22 component agencies before they were melded into the new department) spent \$1.05 billion on alarm, signal and security systems and services in fiscal year 2003, making traditional security products and services DHS' single largest procurement area. (Note: Procurement data for DHS' fiscal year 2004 acquisitions will not be available until sometime after Oct. 1, 2004, the start of the new 2005 fiscal year, according to department spokesperson Larry Orluskie.)

But the homeland security market is in its infancy and traditional security activities and solutions appear to be giving way to newly emerging requirements and solutions that cut across a variety of industrial sectors and disciplines.

Simmons sees information technology projects as the next likely growth sector in the homeland security systems integration market.

"That is likely being driven by the Department of Homeland Security, which has a need to share and develop information across an array of agencies," he says. He adds that information security will be an important component of this sector of the market.

## DEFINING THE COMPETITION — A DIFFICULT PROPOSITION

A list of systems integration contract winners does not necessarily provide an accurate assessment of which company is profiting most in this homeland security market segment, because much of the contract revenue often ends up in the coffers of subcontractors, corporate officials say.

"There're times when we are a sub where we could bring in 50% or 60% of the contract," says Paul Brigsone, vice president of federal systems for ADT Security Services Inc., of Boca Raton, FL, which has contracts with several federal agencies, including DHS' Customs and Border Protection, and various power plants and seaports.

Brigsone also notes today's subcontractor may become tomorrow's prime contractor in the homeland security systems integration contract competition, a perspective shared by other corporate players in this market segment, including Bob Nabors, vice president of U.S. government solutions at EDS Corp., a major IT systems integrator based

in Plano, TX.

"We end up as a subcontractor because EDS is a pure integrator," says Nabors. "Our only agenda is to bring best industry practices to our clients. Often times, we'll accept a subcontractor role if we perceive that it is in the best interest of the client and our shareholders for us to do so."

Nabors believes this contractor's version of "musical chairs" benefits the systems integrators' federal clients. "With this competitive process, the client always gets the teams

position of each systems integration team may change, depending on the opportunity being sought.

"Even though we partner with Boeing and Unisys on some contracts, in other projects we're competitors. It's who needs who [for each contract]," says Brigsone.

Official stakes may be high and the competition stiff in the homeland security systems integration arena, the competitors often maintain a rather collegial posture toward one another, and with good reason,

based in Waltham, MA. "We instituted homeland security in a way that it could touch all of the businesses in Raytheon that sell solutions."

He says this approach leveraged Raytheon's position as a developer of technologies for the Department of Defense (DoD).

"The focus is not on creating something from ground zero but taking something that already had been developed and reconditioning it for a different scenario.

That helps because you don't have to pay for everything from ground zero," says Poza.

This approach has helped Raytheon generate \$250 million to \$300 million in homeland security business thus far in 2004, he says.

Boeing's Maehl says his firm's reputation for managing large-scale projects under DoD contracts helped it win its first major homeland security systems integration contract to install explosives detection systems at all 443 of the nation's commercial airports in the immediate aftermath of the 9/11 attacks.

"We really had not been in the business of putting those kinds of systems in airports. But we're very good at putting large program management systems into place," says Maehl. "We won that because of our ability to do large-scale contracts with large-scale systems integration program management."

EDS emphasizes its ability to pull together high-quality teams, says Nabors, as well as the fact that it has built relationships with many federal agencies through its many federal IT systems integration contracts over the years.

"At EDS, whatever else we are, we are a talent-rich integrator," says Nabors. "We do a lot of alliance work. We bring together a lot of partners that are world-class."

And one of ADT's big advantages, according to Brigsone, is that it has market saturation. "That's why we have a lot of business with [big systems integrators]. They look at us because we've got 12,000 people in the street. We probably protect several hundred thousand buildings throughout the United States," he says.

## EVERYTHING'S COMING UP ROSES?

So what are the prospects for systems integrators in the coming years? Some players in the homeland security market believe the federal government will always need systems integrators to fulfill a vital function.

"It's a misnomer to think that the federal government is buying security solutions. They're not. The majority of solutions they've bought — most of it is outsourced to the integrator," says Evan Scott,

## Advice from the Pros: Keys to Success in the Homeland-Security Systems Integration Race

"Willingness to work for the customer. In this world of homeland security, it's very, very important to have a complete and open conversation with the customer, because it is the customer that has an idea of what he or she needs."

- **Dr. Hugo Poza, Vice President, Homeland Security Strategic Business Area, Raytheon**



Tom Simmons

"I think in the systems integration community, it has a lot to do with reputation -- what are the resumes of the people working for you. Is your reputation solving the problem and staying current with the technology to solve the problem. I think reputation is being evaluated more often than not."

- **Tom Simmons, Director of Federal Sales, Trend Micro**



Evan Scott

"Here's one of the secrets to doing business. You [the vendor] have to go in and give them [the systems integrators] the product. Say, 'Here it is! Test it! Use it!' I got that from the integrators."

- **Evan Scott, President, Evan Scott Group International**

"The key thing that we can see from our position is process — the ability to do systems engineering across large-scale systems and the ability to grow the system over time. Systems integration is multi-disciplinary: When you look at these large-scale systems, to make them work it's not just the engineering. It's the large-scale economics, too."

- **Ron Maehl, Vice President, Homeland Security & Services Division, Boeing Integrated Defense Systems**



Dr. Hugo Poza



Bob Nabors



Ron Maehl

with the strongest capabilities," he says.

According to some participants, competition in the homeland security SI market appears to be a contest among competing teams with a fluid roster of players rather than among the traditional defense, IT and security business segments.

Ron Maehl, vice president for strategy and business development at Boeing Integrated Defense Systems' homeland security and services division, based in St. Louis, MO, says this team approach is key to winning contracts. Since the 9/11 attacks, Boeing's homeland security systems integration contracts have totaled in the "low billions," he says.

"What's inherent in our large-scale systems integration is 'teaming,'" says Maehl. "You do wind up with competition, but you wind up with competition at the team level."

ADT's Brigsone notes that the com-

petition according to EDS' Nabors.

"We are competitive. We have companies that we compete against, like IBM," says Nabors. "But at the same time, we are probably one of the largest buyers of IBM equipment that is out there."

## STANDING OUT FROM THE CROWD

With so much movement from prime contractor to subcontractor roles, or from team player to competitor, many systems integrators vying for homeland security contracts and subcontracts have sought to distinguish themselves by emphasizing how their market approach differs from that of their rivals.

"We're the only ones in the defense business that treat homeland security as a one-company business," explains Dr. Hugo Poza, vice president for homeland security strategic business area at Raytheon Co.,

# USAF security personnel seek CPP certification

president of executive search firm Evan Scott Group International, based in Plymouth Meeting, PA.

"If you're the head of one of the agencies, you cannot buy directly," says Scott. "One product does not make a solution, which is why you have to put these things out to bid to the integrators. The integrators come up with the solution."

Raytheon's Poza agrees. "They don't care to hear about your products. They care to hear about your solutions," he says.

Contractors from all three business sectors — defense, IT and security—generally seem to agree the future holds opportunity for them in the homeland security SI market.

"I think the systems integration community has nothing but upside," says Trend Micro's Simmons. "The government continues to face challenges in hiring the expertise as government employees. Contractors are the way the government is going to solve this problem."

Poza, too, is very upbeat about the market for homeland security SI solutions.

"I think it's marvelous," says Poza. "Amazing things will be done in the next three, four, or five years, I can guarantee you, from the business standpoint and in what we can accomplish for this country."

"I think there'll be some increased spending in the next few years," says ADT's Brisgone. "I think you'll see a lot more spending on container and port security."

So, of the defense, security and IT contenders, who will win the biggest pot of gold in the homeland security systems integration competition? It's a hard question to answer.

While systems integrators often herald news of a large homeland security contract award like conquering heroes at the end of an epic battle, the reality is that much of that revenue will likely find its way to other subcontracting firms.

Further blurring the picture is the fact that today's homeland security SI contract winner often is tomorrow's subcontractor, and vice versa.

Finally, with the federal homeland security market in its infancy, the government's contracting requirements, priorities and opportunities — as well as the contractors chosen to meet those challenges — will likely shift over time as federal officials identify new and emerging vulnerabilities and threats.

It's like trying to call the winner in a horse race in which the jockeys are changing horses every few lengths and the horses have not even rounded the first turn of the track.

In the end, no individual contractor or business sector is likely to emerge as the clear winner, according to Scott. "They're all very good. They're all very competent in their abilities," he says of the major contenders for homeland security SI opportunities.

As for potential rewards to be found in the homeland security market, Scott says the systems integrators need not worry.

"It's really a very big pie. There's plenty to go around," says Scott, adding, "You're going to see the integrators do well." ■

Protection Professional certification from ASIS International, an organization with a worldwide reputation for ensuring standards among security professionals.

"We looked in general at other opportunities, but nothing compared to this. ASIS has been around longer and the level of professionalism was extraordinary," he said. "They have lived this for many years."

Part of the impetus for the change was the changing role of Air Force security officers. "There is less ability to do things in-house with the number of people put forward" in overseas deployments, he said. "Now you're more likely to be working with civil servants or civilian contractors."

A school, he said, would focus on the task list, but not necessarily "cover things such as working relationships or other things that aren't done by script."

Gen. Shames said that by pushing people toward the CPP certification, the Air Force gets a more professional group of people. "If I'm the installation commander and have a question, I want the best answer. Not just an answer. I want to know the individual has the background to do the job," he said. "Working toward the CPP, you learn more about what the world is doing" and can provide those answers.

A key piece of the CPP certification is that applicants must have a number of years in the security business (at least seven), three years of which had to have been in a supervisory position. But it also includes a rigorous exam, covering subjects ranging from security management, investigations and legal issues to personnel and physical security, information protection and emergency management.

The combination ensures that CPPs are grounded in the real world while not having the tunnel vision that often comes from routinely focusing on the task at hand.

"When you deal with the CPP," Gen. Shames said, "you do a lot more risk management, you determine on a more scientific manner what your values — your objectives — are."

"The CPP is a security management certification designed for people with a broad-based security background and experience," according to James McNeil, administrator for security at the Mayo Clinic in Rochester, MN.

McNeil, who also is the president of the ASIS Professional Certification Board, says that the certification's beauty is in the eye of the beholder. "As with many things, the value with any certification depends on the person who looks at it. Where I work, for example, it's a



Brig. Gen. James Shames (USAF-Ret.)



James McNeil

requirement that certain jobs have certification. It indicates that people have a competence. The Air Force has done this on a larger scale."

McNeil said there are people at every government agency who have the certification, but that only the Air Force has made it part of an individual's career progression.

This certification, McNeil said, is good both for the Air Force and for the individuals who get it. Gen. Shames "has raised the bar in his organization, and given his people a linkage to the civilian security world,

the same test," McNeil said, "though legal portions are changed to account for local laws." People in the Air Force, he said "take the same exam, the same test as everyone else. They must meet the same experience criteria, and pass the exam."

ASIS International began as the American Society for Industrial Security in 1955, and now has more than 33,000 members, ranging from law enforcement officials to corporate executives, architects and lawyers. The move from industrial security to corporate security, plus the addition of international chapters (with more than 7,000 members) prompted the organization's name change. The CPP certification program didn't begin until the 1970s, McNeil said, and two new programs — the Physical Security Professional and the Professional Certified Investigator — were started a few years ago.

Gen. Shames, who recently retired from the Air Force, said the program would run for at least a year and then be evaluated. Because the certification requires at least seven years experience, he expected that the program would be limited to about 1,000 people.

"You don't push people toward a credential to get your numbers up," he said, "you want them to gain professionally. We're primarily talking about senior NCOs and officers."

(Junior officers and airmen aren't being left out in the cold, Gen. Shames said. They would be encouraged to seek the PSP certification, which is more in line with the experience and training they are likely to have.)

Although 1,000 people may not seem like a large number, given the size of the Air Force, there are only about 8,000 people who currently have the CPP certification.

And though the Air Force announced the program early this year, it's already bearing fruit. Of the 163 people who received the CPP certification between May and August, four were from the Air Force. ■

## ASIS Certified Protection Professional requirements:

1. Nine years of security experience, at least three years of which shall have been in responsible charge of a security function; or An earned Bachelor's Degree or higher from an accredited institution of higher education and seven years of security experience, at least three years of which shall have been in responsible charge of a security function.
2. Pass a 200 question exam on:
  - a. Security Management
  - b. Investigations
  - c. Legal Issues\*
  - d. Personnel Security
  - e. Physical Security
  - f. Protection of Sensitive Information
  - g. Emergency Management

\*Since ASIS is an international organization, sections dealing with legal issues differ from country to country. Other questions remain the same.

recognized internationally."

"Because of September 11, there has been a change. Private industry owns most of the property at risk, property such as the World Trade Center. That's all the more reason to have common standards, a baseline of competency that we all understand," he said. That common ground would enable everybody to do a better job of working together, he said.

Though the Air Force is trying to get a large number of people certified in a short time, they aren't getting any special program. "Every person takes