

# Alaric Launches The First Multiple Data Source System To Combat Online Fraud

Submitted by: Alaric

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Global fraud prevention company, Alaric International ([www.alaric.com](http://www.alaric.com)), has announced the launch of Fractals FIH (Fraud Integration Hub), the first system to combine multiple internal and external data sources to combat online fraud. The real-time system, which is designed to protect online merchants and payment service providers, is also the first fraud prevention system to be PA-DSS (Payment Application–Data Security Standard) certified.

By readily integrating a client's existing internal feeds with multiple external data sources, Fractals FIH acts as a centralised fraud prevention hub that uses the latest holistic techniques to combat Card Not Present (CNP) fraud in real time. The highly scalable system also includes a fully configurable alert and case management capability and a centralised transaction data warehouse.

With the increasing levels of internet and mobile retailing, CNP Fraud is now a major issue for payment service providers and online retailers alike. The likelihood of a CNP transaction being fraudulent is far higher than for card present transactions. To date though, most fraud prevention vendors offer only limited 'single-aspect' datasets such as geolocation, address verification or device information to check transactions against. This data is usually only available via SaaS (Software as a Service) and with this approach, fraud scores may not necessarily be delivered sufficiently quickly for real-time 'in-flight' blocking of fraudulent transactions.

As Fractals FIH integrates a client's own internal systems and data streams with multiple 'best-of-breed' external datasets that are available in real time, the highest possible levels of fraud detection and prevention are ensured. The system's multi-channel mapping and integration abilities deliver this by enabling users to create their own fraud detection rules. These rules are created easily using Fractal's browser-based GUI interface. In addition, the external datasets used in the process can be updated or added to, at any point, to match the user's specific requirements. Client-specific, automated mathematical CNP fraud detection models can also be used alongside the rules-based fraud detection deployed.

Commenting on the launch Mike Alford, Alaric's CEO said, "The volume of CNP transactions is increasing rapidly as people more frequently use the web and mobile channels to make purchases. It is the very anonymity of paying over the web that inherently makes CNP fraud so very attractive to fraudsters. Fraud experienced in CNP channels can be as high 5% of purchases in markets such as airline tickets and high value electrical goods. In sectors such as software downloads and gambling the situation is even more acute, as real-time prevention is all important. Simply put, where online retailers are operating on tight margins, CNP fraud can threaten the merchant's very existence. Sadly, to date the response has been fairly ad hoc and atomistic with the only real alternatives being highly customised and costly bespoke solutions or the use of third party services.

"Our aim at Alaric is to invest heavily in innovation that makes a real impact on fraud levels. With Fractals FIH, online merchants and payment services providers can, for the first time, control and manage their own real-time fraud response. We expect, therefore, that given the savings available through this

wholly new approach, Fractals FIH will prove to be rapidly self-funding and an effective tool with which to defeat CNP fraud.”

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About Alaric ([www.alaric.com](http://www.alaric.com))

Headquartered in London, with international offices in Malaysia, Australia and the U.S., Alaric is a leading supplier of advanced technology payments products and services. Alaric solutions for both enterprise wide and card fraud detection benefit from the company’s extensive experience in both SOA-based and conventional multi-channel payments integration, card authorization, switching and routing.

Alaric's products are fully platform independent and scalable to meet the needs of the largest financial institution, service provider or retailer. Used in combination, Alaric’s Fractals and payments messaging products offer ease of integration, throughput and detection performance that is unparalleled in the market.

Fractals is an intelligent fraud detection and prevention framework suitable for card issuers, acquirers and payments processors. Proprietary mathematical models enable illegal transactions to be detected and stopped before a transaction is completed. The Fractals Rules Engine enables fraud analysts to create and deploy powerful fraud detection rules within minutes, ensuring that fraud losses are substantially reduced or even eliminated. In the rapidly evolving world of electronic payments, Fractals benefits from continuous investment and R&D, ensuring that it remains at the forefront of fraud detection.

Authentic is a modern ultra high performance EFT authorisation and routing system. Unlike conventional payments processing software Authentic was designed to absorb change with ease. It combines unrivalled flexibility of deployment with efficiency of processing. Providing the payments engine for global networks and large processors, Authentic has achieved in excess of ten thousand transactions per second in recent benchmark tests.

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