

More than a USB-Stick – CodeMeter as a giveaway for customer loyalty

Business Paper

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USB-Sticks are “In”

It doesn't matter if you place a mobile phone contract or canvass a friend for a new club membership – you will often get a giveaway as a “Thank you.”

Very often new products are pushed as giveaways: “The first 500 to purchase will get an extra ...”.



Especially in the software industry, a USB-Stick for a giveaway is “in.”

In the era of PCs without floppy drives the USB memory stick is a very welcome – and more important – alternative for the classic floppy disk.

A nice side-effect is that the software being promoted can often be delivered on the USB-Stick at the same time.

Today USB-Sticks are available in different memory sizes, transfer rates and quality. There are even some tools available, depending on the equipment, for encrypting the data stored on the USB-Stick on Windows.

CodeMeter is more than a USB-Stick

CodeMeter is a Digital-Rights-Management solution that protects software and digital content against illegal use. The heart of the CodeMeter technology is the USB hardware, the CM-Stick.

The CM-Stick is based on a micro chip, developed by WIBU-SYSTEMS, that can encrypt and decrypt data as well can store the necessary keys in the chip.

In addition to secret keys it is possible to store data very securely in the CM-Stick, comparable with a health insurance card. A memory of 64 kByte is available on the chip.

Beyond the CodeMeter chip, the CM-Stick has an optional flash disk that is used in USB-Sticks as well. The version with the flash disk is called CM-Stick/M and is available with memory sizes up to 256 MByte.

The CM-Stick convinces of its award-winning design and its compact nature. The user can carry his data comfortably with many encryption keys.



The case can be changed and the user can receive it in different colours such as mobile cases.

Impression of Value

The version without the additional flash disk (the CM-Stick) is available at retail markets (e.g. www.amazon.de or www.codemeter.com) and costs 49,95 Euro.

The versions with flash disk (CM-Stick/M) have an extra charge for the memory. As a rule this charge has the same value or is marginally lower than the user price of a plain USB-Stick.

So the CM-Stick has of course a higher value than a plain USB-Stick. The user will get the following additional values.

CM Password Manager

How many passwords do you have?

Nearly every vendor offers you the possibility to have access to your account, the delivery status of

your orders or your invoices. And it is recommended to have a new password for each vendor – and to remember it, of course.

Most accounts are not used daily, and that makes it difficult to remember every password. Here you get help from the CM Password Manager.

Passwords are stored easily via CM Password Manager in the CodeMeter chip of your CM-Stick. This function can be used for CM-Sticks without flash disks as well.

Data are stored in an encrypted way

Of course these passwords aren't stored in plaintext. For the administration of our secret data, they will be encrypted using strong AES encryption and then stored.

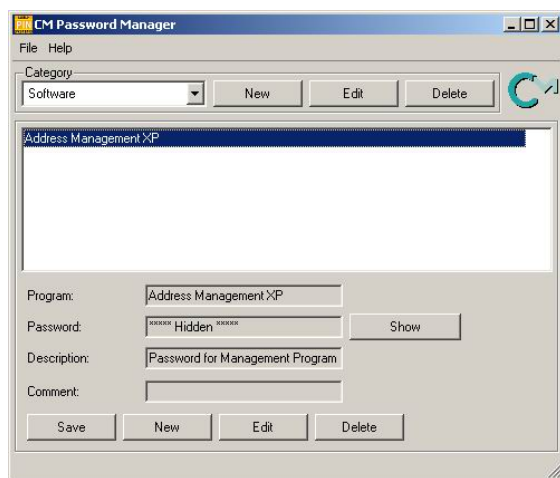


Figure 1: CM Password Manager

An essential part of this security is the CodeMeter password that you can choose when you plug in the CM-Stick the first time. Instead of having to remember many passwords you just have to remember one.

For convenience sake the CM-Stick password can be deactivated; however, in this case the CM-Stick is permanently enabled and if it were lost anyone could read the data.

Password Generator

The CM Password Manager 2.0 now includes a password generation module. It automatically generates a strong password with high quality. You can choose the length of the password and the included characters.

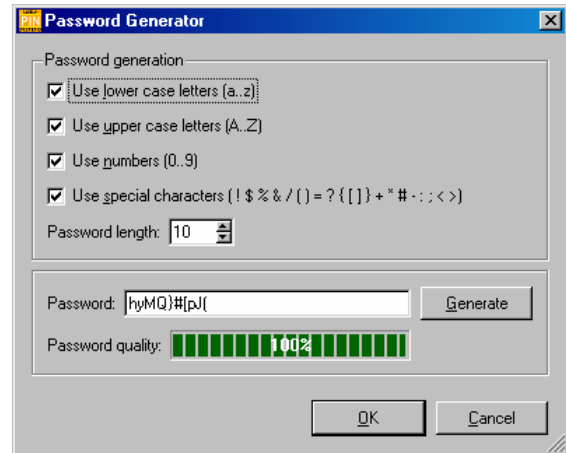


Figure 2: Password Generator

The CM Password Manager 2.0 also verifies the quality of the generated passwords as well as the quality of all manually entered passwords.

Switch on the CM-Stick

You can also lock the CM-Stick so that if you have lost your CM-Stick no one else could get unauthorized access to your passwords.

Using this feature, you are asked for the CodeMeter password every time you plug in your CM-Stick. The decryption of the password data stored in the CM-Stick is impossible without the correct CodeMeter password.

Automatic Form Completion

The CM Password Manager automatically recognizes which web site you are visiting. Knowing the site and finding the required fields for username and password, the activated CM-Stick transfers the user access data automatically to the site via the CM Password Manager.

Backup for emergency

There is a solution for emergencies as well. If you really lose your CM-Stick, you can import an encrypted backup of your password data in your new CM-Stick.

Of course this is only possible with your own backup data and your CodeMeter password.

Cross platform ability

In addition to the Windows version of the CM Password Manager, versions for Mac OS and Linux are available. Both versions will support automatic form completion in the middle of the year.

The appearance and all security features are the same on all operation systems. For example you can input your data on a Macintosh, store the

backup on a Linux PC and work on a Windows computer every day.

Individual customization

Of course a giveaway should create an advertising effect (customer loyalty). This will be achieved only if it is present every day and the user is always reminded of the company who provided this gift.

The CM Password Manager fulfills both requirements. Already after one week the user can't imagine a life without the CM Password Manager. Additionally you can integrate your logo in the CM Password Manager.

Steganos Safe

Another part of the CM-Stick package is the Steganos Safe 7 Lite.



Figure 3: Steganos Safe

The Steganos Safe 7 Lite is a subset of the popular Steganos Security Suite 7. It contains a virtual drive that allows you to encrypt your data up to 128 MByte in a secure way.

Sensitive data are stored without a noticeable loss of performance. The Automatic Crash Protection (ACP) feature makes sure that even in the event of a system crash or a blackout, the data is kept encrypted at all times.

Insecure passwords will be prevented automatically. The password for Steganos Safe 7 Lite will be generated automatically in a high quality and stored encrypted in the CodeMeter chip of the CM-Stick.

If 128 MByte is insufficient for you an upgrade to Steganos Safe 7 CodeMeter Edition is available. This version allows you to handle a virtual drive with up to 64 GByte.

SecuriKey

SecuriKey Lite is another part of the CM-Stick. It is an add on for Windows 2000 and Windows XP.

SecuriKey offers you a 2 factor authentication for your Windows login. In addition to your Windows password (something you know) you need a CM-Stick with a well-defined entry (something you have).



An essential advantage of SecuriKey is that no complex Public Key Infrastructure (PKI) has to be deployed unlike SmartCard solutions.

The lite version is limited to one Windows account and one CM-Stick.

Purchasing software online

For users, the CodeMeter portal www.codemeter.com offers software products by many vendors.

Licenses for the software will be stored in the CodeMeter chip of the CM-Stick. The user just has to download the actual software from the portal. Then he can install the software on any PC and use it. It is just necessary to plug in his CM-Stick to access his license.

In addition to the CM-Stick you can provide your customers with a voucher for purchasing software from www.codemeter.com. This will increase the perception of value.



Figure 4: The CodeMeter portal

Normally the CodeMeter protected products in the CodeMeter portal are offered at a reduced rate of ten percent compared with the downloaded version directly from the vendor. The user can even save

more than 50 percent via new sales models like Pay-Per-Use and software leasing.

Stick, especially in the variety of functions and the possibilities of individual branding.

Protected flash disk

The CM-Stick has a password that can be used for enabling and disabling of the CM-Stick.

A multi drive configuration (the flash disk is divided into several drives) allows the second and all following partitions to be shown or hidden via enabling or disabling of the CM-Stick.

Compared with common USB-Sticks it offers both an explicitly higher level of security and a multi-platform ability for the protected partitions.

This means that you can activate and deactivate your protected partitions for both a Windows PC, a Linux PC and a Macintosh computer.

Advantages

The CM-Stick as a giveaway offers many advantages if you compare it with a common USB-

Advantages of the CM-Sticks as a giveaway

- CM Password Manager in the corporate design of the advertising company will be used nearly every day by the user
- Hardware-protected partition for the version with flash disk (CM-Stick/M)
- 2 factor authentication for the Windows login
- Encrypted virtual drive on the hard disk
- Purchasing software easily and securely via the Internet
- Expandability with software vouchers
- Attractive wholesale price for the advertising company
- Additionally applicable for the customer authentication of the online offers by the advertising company
- More than just a common USB-Stick

About WIBU-SYSTEMS

WIBU-SYSTEMS was founded in 1989 by Oliver Winzenried and Marcellus Buchheit. The company's main focus is in the fields of Digital Rights Management, software protection, license management, document protection and access control. The philosophy of WIBU-SYSTEMS „To gain the confidence of our customers each day anew“ is an essential part of the daily work at the headquarters in Karlsruhe as well as in the WIBU-SYSTEMS offices in Seattle, USA, and in Shanghai, China.

WIBU-SYSTEMS continuously expands its portfolio with important security solutions. CodeMeter is available as a revolutionary Digital Rights Management solution for the protection of software and intellectual property content in a very secure way – with advantages for both the vendor and the user. The WIBU-KEY software protection system is firmly established in the international market and has been for several years. In addition to the protection of software, WIBU-KEY offers options for e.g. license management, modular software management and Electronic Software Distribution (ESD) to a very high level of security. Additional products are SmartShelter for the protection of HTML and PDF documents and the access control system SecuriKey.

WIBU-SYSTEMS is DIN EN ISO 9001:2000 certified and is a member of BITKOM e.V., PCMCIA, USB Implementers Forum as well as of SIIA and others. Distributors of WIBU-SYSTEMS are located in Australia, Bahrain, Belgium, Canada, Czech Republic, Denmark, Egypt, France, Great Britain, Hungary, Japan, Jordan, Katar, Korea, Kuwait, Netherlands, Oman, Poland, Portugal, Saudia Arabia, Slovakia, Slovenia, Thailand, United Arab Emirates, Yemen and USA.

In the worldwide SIIA Codie Awards 2005 competition, WIBU-SYSTEMS has been nominated with CodeMeter as a finalist in the “Best Digital Rights Management Solution: Software” category and the CM-Stick has been awarded the “iF product design award” in the international design competition at CeBIT 2005.