



No leniency granted

What are the challenges faced by small enterprises in the deployment of e-mail archiving? By **Ram Tanamy** and **Sandra Maxwell**, Simplicato.com.

When Sarbanes-Oxley set the rulings on e-mail auditing, there was no leniency granted, nor discrimination applied as to what size enterprises would be held accountable. As small enterprises become more aware of this ruling, they are faced with challenges in understanding the law and who is responsible to comply, as well as challenges in terms of planning, budgeting, allocating resources and implementation.

Although the concern is predominantly within public and financial institutions, other organizations in markets such as healthcare, accounting and law should archive e-mail to be prepared for future audit and litigation readiness.

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THE LAW

The Securities and Exchange Commission, the New York Stock Exchange and NASD all mandate that financial services companies retain records of their communications (including e-mails) for a minimum of six years with “the first two years in an easily accessible place”. If electronic storage media is used it must “preserve the records exclusively in a

non-rewritable, non-erasable format”, “serialize the original, if applicable, duplicate units of storage media, and time-date for the required period of retention”.

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FUNDAMENTAL REQUIREMENTS

In this emerging technology, there are no set standards or precedents for us to evaluate and certify an e-mail archiving system. As the market, compliance officers, lawyers and IT engineers work through the law to interpret what and how an e-mail archiving system should work, they should bear in mind that the system should contain the following fundamental requirements:

- All incoming and outgoing e-mail, internal and external must be archived.
- E-mail records should be accessible (online) and searchable for two years.
- E-mail records older than two years can be stored in non-immediate access storage.
- E-mail records should be retrieved easily and exported to a standard readable format.
- The solution must not enable the user to alter or destroy e-mail.

TECHNICAL ISSUES

An e-mail system within itself is a complex technology. It requires tight integration with the archiving system and special network and security consideration in order to make it work and satisfy the requirements the law imposes.

The integration of the archiving system with the e-mail system introduces new challenges. Archiving of e-mail messages must be done at the time of the occurrence before the e-mail is delivered to the recipients for incoming and outgoing e-mail, external or internal of the organization. If e-mail is rejected and not delivered to the recipient due to virus detection, it should not be archived. Spam messages that are delivered, marked or quarantined to a special mailbox or folder should be archived. BCC recipients' lists, where they are not visible to the end-user on the e-mail client, should be recorded when possible. A BCC list can be collected and recorded if it was

E-MAIL ARCHIVING CHECKLIST

- Market price range: US\$10-100/mo per user with 1Gb of storage allocation.
- Price for extra storage: US\$5-50/mo per 1Gb.
- Search criteria combinations by keyword in subject and body, 'from' sender, 'to' recipient and date range.
- View full message with attachment.
- View message BCC recipient's list.
- Restore to Outlook e-mail format.
- Includes e-mail hosting (optional).
- Includes virus scanning and Spam filtering (optional).
- Backup mail service.
- Serialize all e-mails within the domain.
- E-mail digital signature.
- Usage reports.
- Multi-level access (administrator, end-users and auditors).
- User access audit trail.
- Periodic exports (monthly, quarterly, semi-annually, annually).

generated at the sender archive server, but not when the sender is outside of the archive server. The BCC list should be presented during record discovery.

Additionally, every message incoming or outgoing from the enterprise should be sequenced and digitally signed to enable tracking of all messages when required by the auditors.

PRICING STANDARDS

Vendors who were first on the market saw the opportunity to expand their offerings. Stemming from backup and document archiving, they viewed it as a natural extension of their service offerings to provide e-mail and instant message archiving to the larger corporations (Fortune 500) and their existing customer base. Document management archiving firms set higher end pricing due the fact that their industry has less competition. Having less competition also gives these firms the room to attempt setting price standards in a fairly new market.

On the other side of the market, there are e-mail hosting providers with in-depth knowledge of e-mail technology who view the new law as an opportunity to extend their services by offering of e-mail archiving solutions. In the e-mail hosting industry, prices are usually lower because of stiff competition. E-mail hosting providers also have the flexibility to offer archiving services 'a la carte' or all-inclusive with e-mail solutions.

OUTSOURCED VERSUS IN-HOUSE?

One of the dilemmas in the evaluating process for an archiving solution is whether to outsource or implement a solution in-house. Outsourced or in-house solutions in any given enterprise can range from a natural and simple implementation to one that is complex and more difficult to manage, depending on the set environment.

For the small enterprise – where resources and ongoing management costs can strain the organization – the question of whether to use

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an in-house system or outsource can be defined by a few factors, all driven by the amount of data that is required to be archived:

- The number of users.
- Whether the organization uses instant messaging or just e-mail.
- The anticipated amount of e-mail storage required for the retention period.
- Whether the company’s e-mail is managed in-house or outsourced.

The initial capital expenditure of storage, the archiving solution itself, ongoing maintenance and support often discourages the small enterprise from implementing the solution in-house.

CHOOSING A SOLUTION

The law does not officially endorse any technology solutions as ‘compliant’.

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search criteria with tight response times, yet it requires the records to be on “non-rewritable, non-erasable format.” Currently, write once read many (WORM) formats such as CDROM, tape, DVD, etc. do not provide quick access time. Furthermore, cost and management of WORM technologies are very high.

The solutions that enable enterprises to comply with the law must be attainable. While Fortune 500 companies can afford the luxury of expensive solutions with new emerging technologies that are not yet tested in court, the small enterprise should focus and rely on the e-mail providers who can provide the fundamental requirements mentioned above in order to be in compliance with the law. ■

Be Prepared.

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