

## Telecoms Platform case study

Award winning Telecoms Platform from Trustonic, boosts revenue and reduces risk for a leading North American mobile operator

### Reducing fraud and revenue leakage with a secure network lock

The mobile industry suffers from significant fraud and revenue leakage and part of the problem involves Sold But Not Activated (SBNA) devices. This form of exploitation occurs when a customer purchases a device but fails to activate it on the appropriate network. Instead, the customer has the device unlocked so it can be used on another network and may even sell it on. SBNA exploitation may occur on a significant scale, creating subsidy loss and shows no customer loyalty. This was the case of a large North American network operator that approached Trustonic for help.

### The challenge

As a result of SBNA misuse, the operator was leaking inventory by almost 25% in their pre-paid mobile phone market, a loss amounting to a staggering \$60 million USD per year. The root cause of this is

the ease in which mobile phones can be unlocked from a network, and at scale. Traditional mobile phone locking is notoriously insecure and it's easy for customers to have a device unlocked, including one with network use obligations. However, with Trustonic's secure Telecoms Platform, devices are bound to their modem cryptographically, making it almost impossible for the phone to be unlocked from a network other than by the operator.

### Built-in trusted technology

Trustonic have a long and well-established relationship with OEMs and our solution is integrated at hardware-level into 2 billion devices globally during manufacture. Because Trustonic are leading experts in mobile phone security, we are able to adapt our solution to an operator's specific requirements and incorporate it into existing systems and processes with minimal friction.

## Our solution

As a result of this operator implementing Trustonic's Telecoms Platform, when a customer requests to unlock a phone, the solution determines whether the device is eligible to be unlocked or not. If the customer has fulfilled their network obligations, the phone is unlocked. The unlock process is quick and easy, with minimal customer interaction and customer care involvement. Customer care can be a significant expense for operators, with some reporting a cost of \$3 per call to unlock a phone. Therefore, by reducing customer care calls, the operator can make significant cost savings.

## The impact on revenue

As a result of using Trustonic's Telecoms Platform, the operator currently saves millions of USD by preventing SBNA misuse across almost their entire portfolio of prepaid devices, while reducing their customer care costs. They were able to do this quickly, within just 6 months of signing the contract with Trustonic. The solution is now built into around 85% of the network's portfolio of pre-paid devices with over 14 million subscribers.

## Our approach

Trustonic's ability to tailor its solution is important because all operators have different requirements, processes and backend systems. In many cases, these systems may be complex, as in the case of this operator and their legacy billing system. A further challenge for operators is that many lack the in-house resources and expertise needed in device-side architecture and cyber security to design and implement a suitable solution. At Trustonic we have this expertise and can provide services such as HSM key generation and management on behalf of operators.

## Summary

With Trustonic's secure Telecoms Platform, operators can prevent losses resulting from SBNA misuse. The platform protects the entire Android device portfolio and can be deployed at scale by leveraging our well-established relationship with OEMs. The solution can be adapted to an operator's specific requirements, regardless of the age and complexity of backend systems.

Trustonic can also provide the necessary expertise in device-side architecture and cyber security and, post implementation, can proactively find breaches in defences quickly and work with OEMs to address these. That's why our secure Telecoms Platform is trusted by some of the largest network operators globally and is implemented, at scale, on millions of devices. It's also the reason our platform was named Telecoms Fraud Prevention winner at the Cyber Defense Global Awards 2019.

To contact us – go to [www.trustonic.com](http://www.trustonic.com) or [info@trustonic.com](mailto:info@trustonic.com)



## Ongoing support

Post implementation, we have worked proactively with this operator to monitor and discover any possible breaches in their defences. So, instead of our customer discovering a hack from an obscure forum, months after it occurred, we actively look for weaknesses, notify the operator, and work closely with the OEMs on maintenance releases to address issues.

