

# CFO

## Tech Outlook

MAY - 2019

CFOTECHOUTLOOK.COM

### Top 10 Financial Fraud Detection Solution Providers 2019

**F**raud is pervasive; financial services institutions have been bogged down with fraud issues for ages now. In its latest report, security company McAfee estimates that cybercrime currently costs the global economy approximately \$600 billion, or 0.8 percent of global gross domestic product. At this juncture, fraud detection in banking is a critical need that can span a series of fraud schemes and fraudulent activity from bank employees and customers alike.

Many organizations are developing automated and generalized predictive algorithms that specialize in matching customers and products to fight against financial frauds. Developers are also implementing deep learning techniques to create user and transaction fingerprints for identifying underlying relationships between data points for monitoring behavior patterns, enabling unusual transaction detection.

When it comes to financial risk mitigation, the ability to detect fraud in real-time can dramatically improve the customer experience. This is why banks and financial institutions are

turning to advanced artificial intelligence (AI) based solutions. By dynamically conducting fund flow analytics in real-time, such solutions can effectively pinpoint fraudulent transactions, while reducing the possibility of false positives as well as false negatives. Another widely adopted way to approach the issue of fraud detection is using AI-based predictive modeling, by collecting and analyzing historical data to anticipate an event correctly.

To help CEOs, CTOs, and CIOs find the right financial fraud detection solutions provider, a distinguished selection panel comprising of CEOs, CIOs, VCs, industry analysts, and CFO Tech Outlook's editorial board has selected a list of organizations that exhibit innovative features and service strategies. We have considered the vendor's ability in delivering solutions and services that can effectively yet economically account for a secure fraud detection offering. We present to you "Top 10 Financial Fraud Detection Solution Providers - 2019."



**Company:**  
OrboGraph

**Description:**  
Aids financial and banking institutions with OrboAnywhere, combining image analysis, self-learning, and AI to reduce fraud in transactions

**Key Person:**  
Joe Gregory  
Vice President of  
Marketing

**Website:**  
[orbograph.com](http://orbograph.com)

# Securing Payments with Image Analysis, AI, and Automation

Banks and other financial institutions (FI) are investing in transformative technologies to deliver a superior customer experience using mobile as well as real-time payments. However, FI's must also continue to be diligent on legacy payments where fraud losses continue to persist due to traditional systems and processes as well as inadequate cybersecurity measures. The check is one such legacy payment.

While analytics-based solutions help companies detect a variety of fraud scenarios, the systems also lead to false positives and the unnecessary overhead of a large database of suspicious accounts and transactions when it comes to check payments. These existing security gaps give impetus to increased fraudulent activities such as check forgery, counterfeiting, alterations, stolen check deposits, and identity theft. Additionally, error-prone manual processes make it difficult for FI's to monitor and review on-us and deposited check transactions without analyzing the image itself.

Serving the financial services industry since 1996, OrboGraph is delivering intelligent payment automation platform for check processing. Its flagship product OrboAnywhere helps banks take a security and compliance-driven approach to enabling real-time fraud prevention on check transactions. "Our platform combines cutting edge analytics, self-learning, image analysis, AI, and deep learning technologies to close the security gaps for corporate clients and financial institutions," says Joe Gregory, Vice President of Marketing at OrboGraph. "The world is moving to real-time, and we enable FI's to prevent fraud and real-time through any self-service or omnichannel deposit location."



**Our platform combines cutting edge analytics, self-learning, image analysis, AI, and deep learning technologies to close the security gaps for the corporate and the financial institutions**

OrboAnywhere is comprised of several modules relevant for fraud and risk mitigation. Anywhere Fraud identifies counterfeits, forgeries, and alterations, analyzing both check images and transaction data for each customer account. The system blends self-learning algorithms to develop a rich, behavioral profile for each account with image analysis tests including check stock validation (CSV) and automated signature verification (ASV). These tests provide scores which are used for identifying potential fraudulent transactions.

Banks that adopt image analysis technology can reduce fraud risk and operational overhead. As an implementation



highlight, a client integrated OrboGraph's image analysis with its legacy analytics system, resulting in a reduction of fraud loss by nearly \$3M on a yearly basis. In another instance, a large bank implemented an end-to-end suspect review platform which resulted in reducing fraud defects to only 3 per million items processed...better than Six Sigma!

Another module of interest for fraud prevention is the Anywhere Validate module. This component utilizes advanced AI recognition and scoring technology to mitigate the risk of payment negotiability. For example, checks with missing signatures, missing endorsements, or post/pre-dated checks can be identified automatically in a check deposit workflow such as Mobile RDC or ATM deposits.

OrboGraph follows a well-defined client onboarding process by using either historical data or real-time transactional data. If done on a batch basis using historical data, the data collected over the last 90-120 days is fed into the platform to train the system. In the case where real-time transactional data is used, the self-learning algorithms in OrboAnywhere take 90 to 120 days to learn from the incoming data before going live.

OrboGraph is collaborating with various financial institutions to develop more AI-centric solutions that are aligned to their specific business needs. Also, the company is expanding its capabilities in image recognition, AI, and deep learning models to help clients and business partners increase the scope of secure automation in the payments arena, particularly in the area of fraud prevention and compliance. **CT**