

Why Shred?

National Association for Information Destruction, Inc.



The Law

Your organization must comply with laws and regulations, requiring that it protect certain information when it is discarded.

An increasing number of laws actually **require** organizations to **shred** or face **steepest fines**.

At the federal level, HIPAA (healthcare) and Gramm-Leach-Bliley (financial) require specific physical safeguards, such as shredding, to meet compliance. **Stiff penalties could result!**



Your Customers

Whether your customers are consumers concerned about **Identity Theft and Privacy**, or companies concerned with protecting trade information, you are entrusted with information that they consider to be extremely confidential.

In fact, whether you know it or not, you have an **"implied contract"** to protect that information simply based on the fact that you are collecting the data to conduct business.

They have the legal right to expect you to take every precaution to protect it, including shredding it before it is discarded.



Your Public Image

Dumpster Diving has become **Investigative Journalism 101**. With all the privacy compliance laws, it is the first place reporters look when trying to grab a quick headline.

Privacy is the newest consumer awareness issue. Confidential information in your dumpster is an easy source of sensational headlines.



Your Employees

Employees (past and present) have a legal right to have their personal information protected by shredding before it is discarded.

Insurance records, employment applications, time cards, health records, accident reports and attendance records are examples of information that legally must be protected.



Corporate Ethics

In this day and age, it is very important that your organization exhibits the highest ethical standards.

Casually discarding company information, whether in the form of an individual's personal information, or company trade information, shows a callous disregard for customer and shareholder welfare. It exposes customers to the threat of Identity Theft and other fraud. It also risks your company losing its trade secret protections in court.



Your Trade Information Rights

The courts have demonstrated many times that they will not recognize trade information protections if a company doesn't take every step to protect the information themselves. Casual disposal of information has been the basis for courts to deny trade information rights, which otherwise would have been enforceable.

The U.S. Supreme Court has ruled that you forfeit the right of ownership to discarded information.

The Moral of the Story:
If you don't protect it like trade information, the courts won't either.

Why Use An Information Destruction Contractor?

- Employees are more productive when focused on their core responsibilities
- Safety - even small machines could cause injury if they grab clothing or accessories
- Reduced capital and employment expenditures
- Employees are most likely to realize the value of discarded company info
- Company info such as payroll, legal and employment issues, and correspondence should not be exposed to most employees
- In-house shredding will not handle large volumes and may prompt employees to circumvent the destruction process

Why Use A NAID Member?

As part of the only organization dedicated to increasing the security and ethics of the information destruction industry, **NAID MEMBERS** are bound to a strict code of conduct.

As **INDUSTRY PROFESSIONALS**, they take their business and your trust seriously enough to promote NAID's efforts to improve the industry. **NAID MEMBERS** hold themselves to a **Higher Standard**.



Why Not Just Recycle It?

While **NAID MEMBERS** recycle everything they can after they destroy it, **recycling alone does not establish the necessary requirements of information destruction**, such as:

- how it was destroyed
- where it was destroyed
- who destroyed it
- when it was destroyed
- legal chain of custody
- fiduciary obligations

Legal & Regulatory Violations caused by NOT Destroying Info before Discarding

Direct Violation (Red square)
Conditional Violation (Yellow square)

HIPAA
Gramm/Leach/Bliley
Privacy Act
Economic Espionage Act
Trade Secret Protections
I.D. Theft Laws (where applicable)
Implied Contract Breach

Document Type	HIPAA	Gramm/Leach/Bliley	Privacy Act	Economic Espionage Act	Trade Secret Protections	I.D. Theft Laws (where applicable)	Implied Contract Breach
Account Data	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Banking Info & Docs	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Brainstorming Notes	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Cancelled Checks	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Copies of Checks	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Customers' Addresses	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Customers' Names	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Drafts of Contracts	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Drafts of Letters	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Drafts of Proposals	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Education Records	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Employee Info	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Insurance Info	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Internal Memos	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Loan Info	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Market Analysis	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Medical Info	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Mis-Aligned Forms	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Mis-Printed Copies	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Obsolete Contracts	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Obsolete Records	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Patient Billing Info	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Patient Names	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Payroll Info	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Phone Logs	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Phone Messages	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Purchase Orders	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Sales Call Reports	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Sales Info	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Shipping Data	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Soc. Sec. Numbers	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Supplier Info	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Training Info	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Visitor Logs	Direct	Direct	Direct	Direct	Direct	Direct	Direct

Contact the following NAID MEMBER about protecting yourself, your organization and your customer with a high-security information destruction program.