



An eye on security pays off for IrisGuard

By Simeon Kerr

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Identity theft may be the stuff of futuristic nightmares for the average citizen but for technology specialists the ability to spot a bad guy in a crowd is a commercial opportunity rather than a threat.

One such specialist, IrisGuard, a Jordan-based technology company, is to receive an equity injection as it seeks to exploit rising concern about internet fraud to expand provision of its iris-recognition services. GrowthGate, a regional private equity firm managed by Keystone Partners, is due this week to acquire a 30 per cent stake in IrisGuard for an undisclosed sum.

Headed by Imad Malhas, co-founder and chief executive, IrisGuard is one of a number of Jordanian companies reaping the benefit of the kingdom's support for technology start-ups. Jordan has provided the Middle East with many entrepreneurial success stories, such as Yahoo's acquisition of Maktoob, an Arab web portal, in August.

"We are the iris guys – we took a bet on this technology even before the attacks of 9/11," says Mr Malhas.

He and other proponents argue that the iris, the muscle that surrounds the pupil and which gives the eye its colour, is a more reliable identifier than a fingerprint, which is more liable to change over time.

In 2001 IrisGuard teamed up with the United Arab Emirates' authorities to introduce the world's first iris biometric recognition software linked to immigration databases. This system has so far, Mr Malhas says, caught 250,000 banned workers who were trying to return and seek work illegally in the oil-rich nation.

The recent assassination of a Hamas commander in Dubai, conducted by a hit team that entered the UAE using fraudulent European passports, has revived security concerns in a country where nationals of wealthy states have largely been exempt from iris-scanning. Security experts believe the killing of Mahmoud al-Mabhouh could cause the most open Gulf state to tighten border controls.

Mr Malhas says another large Middle Eastern state, which he cannot name, has signed up to install the system. This reads and stores an image of an individual's iris in no more than three seconds and allows governments to cross-refer to an existing database.

IrisGuard also hopes that the Canadian government, which is looking to ban addicted gamblers from slot machines, may adopt the technique.

For the time being, two-thirds of the company's \$10m revenue comes from such defensive applications of the technology, which is developed at IrisGuard's UK offices. Mr Malhas says growth is set to come from so-called positive applications, where customers embrace the technology to protect against identity theft, which he says affected more than 10m people in the US last year. The company has won business there, as well as in Latin America and Indonesia.

Cairo Amman Bank, a retail bank in Jordan, has been allowing customers to use iris-recognition technology to withdraw cash at ATMs or identify themselves to tellers since 2008.

Mr Malhas has talked to social media sites, such as Facebook and LinkedIn, to explore options for IrisGuard's next product launch, the "Eyesign".

The webcam/iris technology, expected to cost little more than \$50, would allow home users to access bank and other websites more securely. It will be launched at the end of this year.

"If people are using ATMs, then why not also use it to order pizza?" asks Mr Malhas. "We're going to start getting into people's homes."

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