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Online: Koinonia House Inc.,

VERICHIP BUYS ID SECURITY COMPANY

VeriChip has a new name. The company famous for its development of RFID tags that can be implanted in humans has acquired Steel Vault Corporation, a provider of identity security products and services. Anti-identity-theft meet human microchipping. Together, VeriChip Corp and Steel Vault Corp are forming a new company called PositiveID.

For years radio frequency identification (RFID) tags have made product identification and inventory easier for stores. Farmers are injecting implantable RFID tags into their livestock in order to halt the spread of mad cow disease. If a diseased cow turns up, it can be easily tracked backward to every stockyard where it's been, all the way back to its home ranch. Pet owners have had their animals "chipped" so they can be identified by animal control and returned home if lost. From passports to pre-paid train and bus smart cards, RFID can be found everywhere.

Applied Digital Solutions' VeriChip has been marketed as a health care ID tag that is handy for quickly indentifying at-risk patients if they show up at a hospital. A simple scan of the chip in a person's arm would bring up the patient's medical history at Health Link, helping hospital personnel offer the best care even to those patients brought in unconscious. A recent VeriChip commercial promotes the rice grain-sized microchip as useful to Americans from all walks of life, from the diabetic to the driver whose car goes off the road.

Now, a Steel Vault VeriChip combo will be in a position to use chipping as a means to protect people from identity theft. Americans may resist the idea of having chips stuck in their arms, even to protect their identities, but the brains behind PositiveID have a number of different plans in the meanwhile.

Scott R. Silverman, Chairman and CEO of PositiveID, stated, "In joining these two companies, we believe we are better positioned to accelerate the development of our exciting diagnostic and sensor applications such as glucose-sensing, as well as our rapid virus detection system for the H1N1 virus and other pandemic viruses. By moving beyond the original patient identification application of our implantable RFID microchip technology, we believe that we will be able to get high-value products to market faster with a more efficient use of capital."

Of course, it's easy to imagine the eventual use of RFID technology to identify every human being in America and even on the planet. It certainly could reduce the problem of ID theft if one's scannable ID was embedded in one's arm. No more stolen or lost credit cards. No more forgetting one's driver's license at home. At least, PositiveID could conceivably make that argument, and then hello Big Brother.

Orwellian fears are unlikely to be realized any time soon, though. The implementation of RFID technology has actually taken much longer than folks originally anticipated, and for a variety of reasons. Since 2003, Wal-Mart has pushed for its suppliers to include RFID tags on pallets and cases of products, but the costs to implement RFID technology has made the transition slow. Only about 600 of Wal-Mart's 20,000 suppliers are on board the RFID wagon

so far, with others complaining not only about the expense of the readers, software, and tags (some still over \$.07 each), but also about problems with the liquids and metals in their products interfering with the readers. Trying to integrate different technologies has also proved a pain in the neck.

The pharmaceutical industry has also been slow to implement RFID technology, even though it's been mandated by California law. Pharmaceutical companies in California are supposed to use RFID tags to keep track of drugs in order to improve safety and reduce counterfeiting, but the pharmaceutical industry has balked at the expense and complications of implementing a comprehensive system. Because of these difficulties, California has given the industry until 2015 to abide by its electronic pedigree law.

And as far as "chipping" humans? Some people think it's a jazzy idea and have had VeriChip injected under their skin for medical reasons or to avoid carrying their IDs (and wallets or purses) into nightclubs. A whole lot of people, though, have absolutely no intention of getting an implantable microchip – not under any circumstances. Not even when tempted by VeriChip's well made commercials.

Even with the complications of chipping everything, though, RFID is a growing business that has worked its way up from a \$1.9 billion-a-year industry in 2005 to a \$5 billion-plus industry today. And the biggest user of RFID technology are world governments. China just spent \$6 billion to get its citizens RFID-tagged national id cards. The US government has been using RFID tags to keep track of military inventory, and since 2006 has put these microchips on passports. The UK and India are also chipping their passports, and pre-paid public transportation cards have long been using RFID.

The chipping of the world has been a slow but steady progression, and it doesn't promise to go away anytime soon, even with complaints and balking, inconvenience and negative public opinion. Whether for good or for bad, RFID appears to be here to stay.

Related Links:

- [Verichip Announces The Completion Of Steel Vault Acquisition - VeriChip Corp](#)
- [PositiveID Corporation Changes Ticker Symbol to PSID and Unveils New Logo - PositiveID](#)
- [VeriChip Present RFID Microchip and Virus Triage Detection System for the H1N1 Virus - MoreRFID](#)
- [RFID Makes Slow And Steady Progress - InformationWeek](#)
- [VeriChip TV Ad Confirms Critics' Fears: They Want Everyone Implanted - BNET](#)

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International inspectors who gained access to Iran's newly revealed underground nuclear enrichment plant voiced strong suspicions in a report on Monday that the country was concealing other atomic facilities. In unusually tough language, the International Atomic Energy Agency appeared highly skeptical that Iran would have built the enrichment plant without also constructing a variety of other facilities that would give it an alternative way to produce nuclear fuel if its main centers were bombed. *The New York Times*

[Dying Town Says Gitmo Detainees Mean Jobs](#) - November 16, 2009

Some folks in this dying Mississippi River town would rather take their chances with suspected terrorists in their backyard than watch their neighbors continue to move away in despair over the lack of jobs. News that the federal government may buy the nearly empty Thomson Correctional Center and use the maximum-security state prison to house Guantanamo Bay detainees has given people in Thomson hope that things might be about to turn around in this woeful town of 450. *AP*

[STDs Heavily Affect Teen Girls](#) - November 16, 2009

Teen girls aged 15 to 19 accounted for the largest number (409,531) of the 1.5 million reported chlamydia and gonorrhea cases in the United States in 2008, followed by women aged 20 to 24, according to an annual federal report released Monday. Of the almost 19 million new cases of sexually transmitted diseases that occur each year in the United States, almost half are among those aged 15 to 24 years. *US News & World Report*

[Anything But A Jihadist](#) - November 13, 2009

What a surprise -- that someone who shouts "Allahu Akbar" (the "God is great" jihadist battle cry) as he is shooting up a room of American soldiers might have Islamist motives. It certainly was a surprise to the mainstream media, which spent the weekend after the Fort Hood massacre playing down Nidal Hasan's religious beliefs. *The Washington Post*

[11-Year-Old Boy Shoots Bear To Protect Sisters](#) - November 13, 2009

An 11-year-old boy killed a bear at point-blank range last Wednesday night after it wouldn't leave his family's porch. The boy was at his home near Driggs with his younger sisters and after seeing the bear on the front porch and not being able to get it to leave, the boy retrieved a gun and killed the animal. *Rexburg Standard Journal*