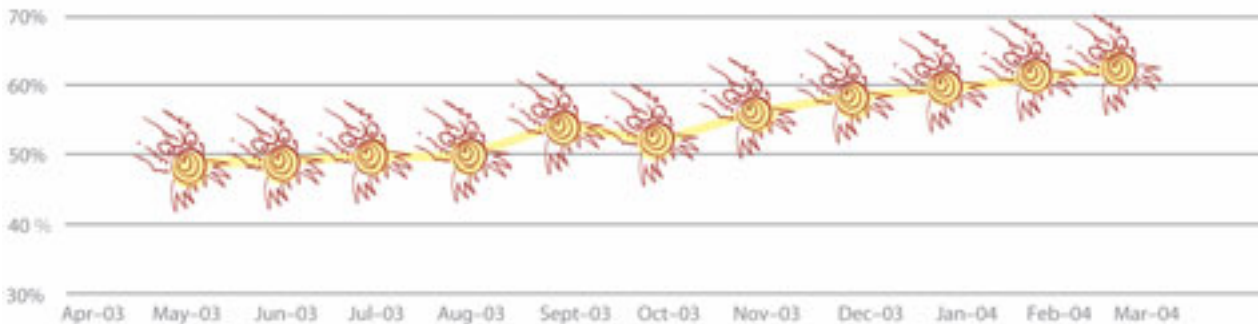




SPAM Outbreak In just a few years, unsolicited commercial e-mail, also known as Spam, has gone from a minor nuisance to a major economic and social issue. According to best estimates (from companies such as Brightmail and MessageLab), it now represents more than half of the world's e-mail traffic. Processing and managing Spam creates costs that are ultimately for by businesses and personal e-mail users. Some are now reducing their use of e-mail as a communications tool, posing a significant impediment to the benefits of legitimate e-commerce. We present a look at some of the latest figures released by Industry Canada.

Percentage of Total Internet E-mail Identified as Spam, (Brightmail Logistics and Operations Center [BLOC])



Spam Statistics The statistics below are current as of 2003, but spam data become quickly outdated. These statistics were derived from a number of different reputable sources including: Google, Brightmail, Jupiter Research, eMarketer, Gartner, MailShell, Harris Interactive, and Ferris Research.

E-mail Statistics Daily e-mails sent **31 billion** 📧 Daily e-mails sent per e-mail address **56** 📧
 📧 Daily e-mails sent per person **174** 📧 Daily e-mails sent per corporate user **34** 📧
 Daily e-mails received per person **10** 📧 E-mail addresses per person **3.1 average** 📧 Cost to all Internet users **\$255 million** 📧

Spam Statistics E-mail considered Spam **40% of all e-mail** 📧 Daily Spam e-mails sent **12.4 billion** 📧
 📧 Daily Spam received per person **6** 📧 Annual Spam received per person **2200** 📧 Spam cost to all non-corp Internet users **\$255 million** 📧 Spam cost to all US Corporations in 2002 **\$8.9 billion** 📧
 States with anti-spam laws **26** 📧 E-mail address changes due to Spam **16%** 📧 Estimated Spam increase by 2007 **63%** 📧 Annual Spam in 1,000 employee company **2.1 million** 📧 Users who reply to Spam e-mail **28%** 📧 Users who purchased from Spam e-mail **8%** 📧 Corporate e-mail that is considered spam **15-20%** 📧 Wasted corporate time per Spam e-mail **4-5 seconds** 📧





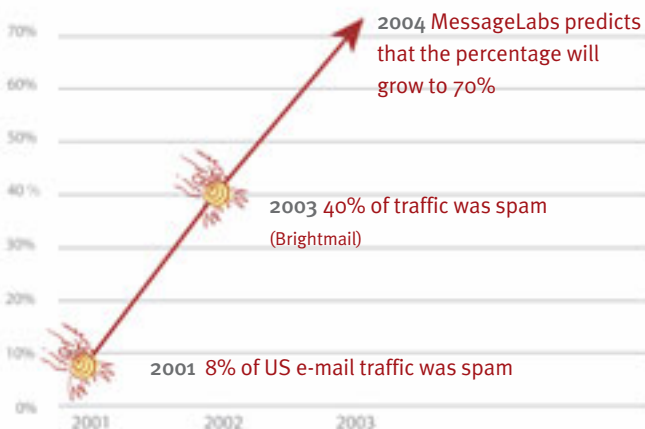
11 billion e-mails sent per day worldwide in 2001



Expected to grow to 36 billion e-mails per day in 2005 (Gartner, May 2002)

In the US Consumers want government to provide greater protection against spammers. According to the (ePrivacy Group) survey:

- 74% of consumers stated that they want a federal do-not-spam list.
- 79% of consumers stated that they want spam banned or limited by law.
- While opt-out is sometimes touted as an antidote to spam, it is not used by more than 37% of consumers. The three primary reasons are: fears that opt-out will confirm their address to spammers; uncertainty as whether opt-out will work; doubts that opt-out will be honoured. However, there is still hope for opt-out: 47% of the respondents said they would feel more confident about opt-out if it was verified by a trusted third party.
- Most consumers who receive a falsified e-mail message (89%) or an e-mail containing unsolicited adult content (74%) automatically define it as spam.
- Over 31% of consumers consider all unsolicited e-mails that contain any type of advertisement to be spam.



the Spam Business Model

- Spam is profitable: cost to sender is minimal.
- Traditional direct mail requires response rate of 2%; Spam can operate at return rate of 0.025% .
- A huge global web of loosely managed networks and facilities allows this form of e-mail abuse.
- Impunity: enforcement of domestic laws is difficult and requires considerable resources.

the Cost of Spam

- Radicati Group and Message Labs estimate worldwide cost to businesses at \$20.5 billion.
- Nortel Networks: despite spam filters, employees receive 5,000 to 15,000 spam messages a day
- Each spam message costs \$1 in lost productivity.
- Loss of public confidence in Internet communications 25% of Internet users have curtailed their use of e-mail because of spam (Pew Foundation, 2003).
- Aggressive filtering has blocked legitimate (permission-based) electronic communications, such as service notices, invoices and newsletters.