

Data Sharing, Single Sign-on and Other Buzzwords

When I set out earlier this year to write a paper about best practices in data sharing security solutions, I expected that my research would uncover all sorts of neat new ways to protect the listing information and make it easier for MLS users to gain access to more information. However, after several months of research, I know that this is just a *work-in-progress*. So I am sharing what I have learned so far to assist you and your leadership in navigating the new open waters of real estate information management. They are certainly a lot more interesting than they used to be. My goal is to give you a much better understanding of many opportunities that exist as we embrace data sharing, single sign-on and two-factor authentication for more secure web site logons. It is crucial that we all learn from each other at this pivotal time for our industry.

Please read on if you are interested in learning about:

- *Data Sharing – a work-in-progress*
- *Single Sign-on – full of opportunities that benefit MLS users*
- *Two-factor Authentication to logon to systems – on the rise*

From the author Kevin McQueen -- The knowledge I will share with you is based on 26 years of industry experience as a vendor, MLS Exec and independent advisor. Most recently, it comes from my active involvement in several data sharing initiatives from concept to implementation and the knowledge I've gained by surveying more than 120,000 MLS users, through dozens of interviews and meetings over the past year with the leading thought-leaders in security and data sharing solutions. I do not sell or endorse any specific products so my mission is pure - to share what I learn and know with you so you can apply it in your own organization. In addition, I welcome your questions and feedback since that is how we all learn together. I can be reached at (248) 374-1045 or Kevin@kevinmcqueen.com

Data Sharing

Here is a summary some of the major data sharing initiatives in play as of July 2008.

- Chicago – Map and MLSNI
- CARETS – California Real Estate Technology Services
- WIREX – Wisconsin Real Estate Exchange
- East Coast Data Share Initiative – MRIS, Trend, REIN
- Colorado Cooperative
- FBS – several MLS Customers
- Minnesota Co-Op
- Quattro – Northern California
- Florida's MLS Advantage™
- Many others in the works

Data sharing is a way for MLSs to provide brokers and agents with access to increased information from other MLSs without the challenges or delays commonly associated with mergers, consolidation or regionalization. It also provides for increased exposure of property listings to a growing number of real estate professionals that represent buyers resulting in

more and faster sales and increased commissions. Some additional benefits of data sharing are:

- Real estate is local - each participating MLS continues to manage the MLS software and remain responsible for defining, collecting and maintaining high-quality information.
- MLS users can run one search across many MLSs at the same time and have more software choices about how they will search the combined data.
- The MLS retains some autonomy and control while sharing some of its data assets with a larger audience of real estate professionals that list and sell homes.
- Through data sharing, brokers and agents can obtain IDX, syndication and downloads from a single source with uniform data rules.
- Consumers benefit since the professionals now have access to more information that they can share to service their clients and customers.
- One set of IDX rules, MLS policies and common practices exist in most data sharing initiatives.
- Local differences in data can be maintained while sharing the core fields of information with the combined users of participating MLSs.
- Data sharing is a logical step toward more efficient data management and distribution and will support the anticipated consolidation in the number of different MLS systems in the future.

It is also important to know that there are some real challenges associated with data sharing including:

- Differences in data profile sheets, prop types and statuses, business rules & systems makes it difficult to make every data field available and searchable in an aggregated database.
- Lack of adopted standards – RETS is a good start, but there is still a lot of work to be done to increase adoption of RETS and other standards which are necessary to maintain and move our industry ahead.
- RETS by itself does not resolve differences in the data from MLS to MLS.
- We need more full-featured RETS-based MLS software applications to provide users with access to search across multiple MLSs.
- Data Sharing may cost more than alternatives such as regionalization or mergers.
- Once the data is combined in a database, many of the participating MLSs are then bringing the combined data back into their local MLS systems as a means of providing easy and convenient access for the MLS users. This is good for the users, but can be more expensive to implement and maintain as the number of participating MLSs increases.
- Board and organizational politics that make it difficult to regionalize or merge. These same dynamics may also exist in data sharing initiatives.

The good news is that data sharing is currently providing hundreds of thousands of brokers and agents with some relief, sometimes faster than the alternatives such as regionalization or mergers and include many of the benefits summarized above. Further, it is helping many Realtors[®] remain relevant in the eyes of consumers by providing the most timely, accurate and comprehensive information available.

Single Sign-on

Wouldn't it be great if we had a single secure login and password for all of the various computer systems and websites that we access? Not only would be it great for the sites we access most frequently to save us time, but think of how much time we spend trying to access some sites every so often. Single Sign-on aka SSO makes this possible now.

Here are some popular uses for Single Sign-on:

- MLS and Property Tax systems – login once and automatically have access to the other systems
- Multiple MLSs – reciprocal access, data sharing, regionalization
- Forms i.e. WINForms, Instanet, ZipForm
- Transaction Management
- MLSAlliance™
- Membership systems – IMS, MMSI and others
- Real Estate Industry Sites – RealTown, Associations

What about lockboxes, Realtor.org, brokerage systems, mortgage, title, courthouse, legal sites or any of hundreds of other related sites that require a login and password? Why don't we incorporate Single Sign-on with many of these as well?

The keys to implementing Single Sign-on are:

1. Innovative thinking by leadership.
2. Use of available technology standards.
3. Cooperation between trusted partners.
4. Vendors and suppliers with know-how to provide cost-effective solutions.

It is time to act on this. Let's explore some good examples of Single Sign-on

Rapattoni is one of the leaders in Single Sign-on with more than 50 implementations to date and more in their pipeline. Single Sign-on benefits thousands of MLS users every day by providing one login access to multiple MLS systems for reciprocal access and data sharing, membership account management and bill paying, forms, transaction management, and other organizations like eNeighborhoods, RealTown and more. Many of these systems are based on SAML (buzzword - you don't need to know how it works, simply know that it is a widely used standard). Our industry needs to utilize more standards like SAML and RETS. In fact, Single sign-on should be incorporated into RETS standard in the near future.

MRIS (Metropolitan Regional Information Systems) is another great showcase for the use of Single Sign-on. MRIS continues to embrace and enhance industry standards including RETS and SAML. MRIS customers benefit by accessing multiple databases and applications by logging in one time, with two-factor authentication that utilizes tokens and mobile phones. This secures the main entrance to multiple systems and provides a great opportunity for MRIS and others to grow the number of relationships and systems that their users can connect to using the single sign-on.

MRIS built their solutions by using a [Single Sign-on Toolkit](#), which was developed by Clareity Security and co-sponsored by NAR. The toolkit is available at no cost to software and service companies for use in developing Single Sign-on solutions. While there is no cost for the toolkit itself, there are other costs related to implementing Single Sign-on. Contact your vendor, Clareity Security or me if you would like more information.

There have been some questions about whether SAML is right and cost-effective for the real estate industry. SAML is widely used in many other industries including financial services, healthcare, government and others where there is a strong requirement for protecting privacy of information and where increased user conveniences are paramount. There are multiple technology standards at play for Single Sign-on but SAML is, in my opinion the best choice for our industry since it is widely adopted by major lenders and many of our industry leaders including Clareity Security, Rapattoni, MRIS and others. Why would we reinvent the wheel by introducing proprietary or lesser-used solutions to real estate? Some of the vendors are providing Single Sign-on solutions that are not based on SAML and which may cost less. If you are considering a non-SAML solution for Single Sign-on, you should ask, “who else is using the same non-SAML solution that you are proposing?” Single Sign-on generally relies on each party using the same technology in order to connect and communicate with one another. Our industry simply can’t afford to support several different or proprietary solutions going forward. We need more standards to increase the connectivity between various web sites making it more convenient for your members and to help keep the costs as low as possible

While two-factor authentication a.k.a. strong authentication is not required for Single Sign-on to provide substantial benefits to MLS users and organizations now, it is likely that the rate of adoption and use of tokens, mobile phone messaging to authenticate and other more secure logon solutions will continue to grow. There is a direct link between two-factor authentication and Single Sign-on. As the number of organizations and sites are connected through Single Sign-on, it will be increasingly important for a trusted authority or organization to confirm the identify of the person that is logging in since they will have access to multiple systems once they are “checked at the main entrance”. Realtor[®] organizations are uniquely positioned to be that trusted authority and by implementing two-factor authentication, they are increasingly qualified to act in that role.

If you believe as I do that the number of new players and overall innovation in the industry will continue to blossom and that the most valued information and MLS systems will require more secure logon access, why wouldn’t the MLSs want to be the trusted authority to confirm their member’s online identity? In reality, the question isn’t IF someone will become that authority or identify provider, but WHO will do it and WHEN? This is good for the industry and the costs and inconveniences are worth the investment in order to protect the systems and information that has been entrusted to the MLSs. The alternative is to try to catch-up after someone else does it first. Therefore, I believe in Single Sign-on and two-factor authentication for the long run and now is a good time to learn more about your options.

As of June 2008, there are more than 400,000 MLS users of two-factor authentication in more than 62 MLS markets taking advantage of tokens and text message based two-factor authentication security solutions from Clareity Security, Rapattoni and RSA. These MLSs

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make great potential partners for Single Sign-on since they have already taken the appropriate steps to secure their systems and information. Further growth in the adoption of two-factor authentication is expected to continue and the cost of the solutions will likely drop as well.

Data Sharing, Single Sign-on and Two-factor Authentication

It is clear that the current password-only systems are insufficient for securing access to the current web-based online MLS systems. However, the costs and the inconveniences (both real and perceived) and the absence of interoperability from the current industry solution suppliers seems to keep many MLS organizations from implementing secure logon solutions.

Based on everything I have learned so far, I believe that the majority of the people that currently access more than 800 MLS systems are authorized to do so. However, we have learned a lot from more than 60 MLSs that have implemented two-factor authentication solutions and we know that many unauthorized users still have access to the MLS systems and databases. The days of dial-up modems and answerback chips are long gone.

Now that many of the MLS systems integrate contact information, real-time leads, function as the email hub for many, saved prospects and searches and other information that may be considered valuable and private by its rightful users, it is time to reassess the pros and cons of further securing access to these Internet-based systems.

Ask yourself, is the MLS database of today worth more to the users and their clients and customers as a result of having access to all of this *mashing-up* or the integration of maps, tax information, photos, attached documents, contacts and more? Or another way to say this,

Does the value of aggregated real estate information increase with each new data set?

I certainly believe that it does. This also applies to MLSs working together through regionalization, data sharing and the future prospects of gateways. What do you think?

Today, we recognize a certain value to accessing each local MLS. As the amount of aggregated information continues to grow and as more and more MLSs share data, regionalize and consolidate to meet the demands of their customers in a changing market, the value will likely increase at an even faster pace. Therefore, it will be increasingly important for the Association and MLS leadership, as the caretakers of the broker's data to secure access to the systems and valuable information.

It was not my intent to push tokens, but we are currently facing a number of changing market dynamics and challenges that need to be resolved through the use of more secure logons, use of standards including RETS and SAML and the use of Single Sign-on to make it easier for brokers and agents to access the various systems in a more trusted and secure manner. It is likely that the demand for access by both authorized and unauthorized people will increase and the need for two-factor authentication at the main entrance will become even clearer.

Who will control access to our information next year and into the future? MLSs are well positioned. Some possibilities include vendors, brokers, NAR, the government or someone else. It has been said, the best way to predict the future is to invent it.

Data sharing, two-factor authentication and Single Sign-on are each important topics on their own but they are also interrelated. The leaders in the industry should understand the benefits and the opportunities that exist as well as the costs, which might be holding some back. There is a constant influx of new entrants into the real estate marketplace. Innovation is on the rise across the industry and the pace has never been faster. The scope of integrated information and value of the databases and systems that we manage will continue to grow and the topics discussed in this paper will certainly play an increasingly more important role in how the landscape changes as we focus forward.

The leadership of every MLS should take responsibility for learning more about the options, industry trends and standards including RETS, Single Sign-on opportunities, SAML, secure logon options, and opportunities to communicate and collaborate with neighboring organizations through data sharing or regionalization.

If you are interested, here are some sources to learn more:

- Contact your MLS vendor to discuss any of these topics
- Two-factor authentication: www.clareitysecurity.com or www.rapattoni.com
- RETS: www.rets.org
- For a non-technical introduction to RETS <http://rets.org/files/retsoverview.pdf>
- Data Sharing, regionalization or to discuss your questions and needs about the future, see below.

Kevin McQueen is the President of Focus Forward Consulting providing professional advice and consulting services to the leadership of real estate MLSs, State and Local Associations, technology companies and Brokerages. Together, we focus on your top priorities from vendor and technology selection to long-range planning to implementations and project management. Frequent engagements include Data Sharing, Regionalization, Vendor comparisons and RFPs, System Conversion Project Management, RETS, governance and organizational reviews, and Executive placement. Is it time to take a fresh new look into your future? Kevin's unique experience of more than 26 years as an MLS software and service vendor (BORIS), CEO of Michigan's largest regional MLS (Realcomp II), President and CEO of a software development firm and as a trusted industry advisor and independent management consultant.

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