



Turning CyberSecurity Risk Into a Competitive Advantage

June 2023

Question:

Who here knows of a company with
losses from

Ransomware

Phishing Emails

66% of organizations were hit
by ransomware in 2021



Colonial Pipeline Ransomware

What was affected

- Pipeline shut down for 6 days
- Affected 45% of east coast fuel

What happened

- Disabled accounting system
- Infrastructure shutdown to prevent further damage

Who did this and why

- Russian criminal group “DarkSide”
- Financially motivated
- Company data exfiltrated and sold

Question:

In 2021, what was the average ransom?

\$812,360 Average ransom payment

46% Paid the ransom

4% That paid the ransom
got ALL their data back

Barbara Corcoran Whaling

What was affected

- \$388k Financial Loss

What happened

- Whaling email sent to bookkeeper appeared legitimate but not validated requesting payment for services
- Money wired to criminal

Who did this and why

- Chinese criminal actor had knowledge of target business and staff emails
- Victim did not have secure operational workflows



Question:

Are you ready?

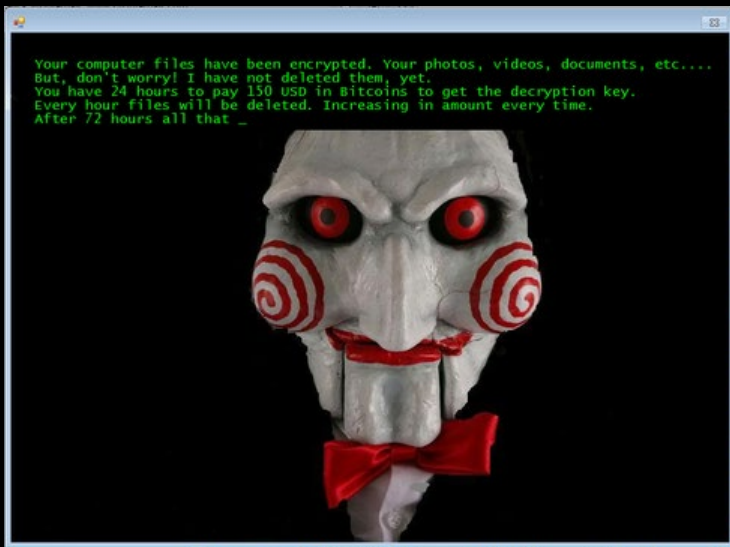
1 Month

Average time to recover
from an attack

72%

Putting faith in
approaches that don't
prevent an attack

From the CyberFoundry Front Line



Company Profile

- 5 Employee Cloud Service Company
- <\$10m Yearly Revenue

Event

- April 2023 their web site went offline
- Ransomware notices on their internal servers

Impact

- All 150 of their servers were encrypted
- Client data had been encrypted and potentially stolen

Cause

- Employee received phishing email
- Insecure server connected to the internet

From the Headlines

FTC Takes Action Against Drizly and its CEO James Cory Rellas for Security Failures that Exposed Data of 2.5 Million Consumers

Order requires company to destroy unnecessary data, restricts future data collection and retention, and binds CEO to specific data security requirements

What They Did Wrong

- Failed to implement basic security measures
- Stored critical database information on an unsecured platform
- Neglected to monitor network for security threats
- Exposed customers to hackers and identity thieves

FTC Enforcement Action

- Destroy unnecessary data
- Limit future data collection
- Implement an information security program

“Notably, the order applies personally to Rellas, who presided over Drizly’s lax data security practices as CEO. In the modern economy, corporate executives sometimes bounce from company to company, notwithstanding blemishes on their track record. **Recognizing that reality, the Commission’s proposed order will follow Rellas even if he leaves Drizly.** Specifically, Rellas will be required to implement an information security program at future companies if he moves to a business collecting consumer information from more than 25,000 individuals, and where he is a majority owner, CEO, or senior officer with information security responsibilities.”

- FTC Chair Lina Khan joined by Commissioner Alvaro Bedoya

Develop Your Plan

1. Self-Assessment / Mind the Gap
2. Develop an Information Security Plan
3. Review Your Performance
4. Close The Gap



Board Meeting Questions



How much CyberSecurity risk are we carrying and how is that quantified?

What is the probability of a loss?
What would that cost?

What is the plan to manage and reduce the risk?

How are you measuring and validating your plan?

Turning CyberSecurity Risk Into a Competitive Advantage

Risk doesn't go away – but companies are not equally protected from it

Avoiding and Recovering from Losses is a Competitive Advantage
One That Many Companies Ignore

Be Ready – Be Resilient – **Gain a Competitive Advantage**



About Us

CyberFoundry provides Virtual Chief Information Security Officer and Incident Response services to private clients.

Our founder brings 32+ years of experience in CyberSecurity in the Finance, Healthcare and Defense industries.

Our focus helps clients turn the risks we all face into responses that give them competitive advantages in the market.

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