

Data Breach: Small Companies Have the Greatest Risk



80% of Small Businesses Will Suffer a Data Breach But, With Protection in Place, You Can Sleep Soundly at Night

Constant Demands

You are the ultimate multi-tasker, faced with the constant demands of finding, selling, and keeping profitable customers; delivering products and/or services; managing personnel, accounting, IT, inventory, and cash flow; paying suppliers; securing insurance; and making payroll. Then, pile on the demands of the IRS, EEOC, OSHA, PCI, HIPAA, and GLBA. Everywhere you turn, someone is requiring compliance, but where do you start? Who has the time to figure it out? Meanwhile, you hear reports of business after business losing data and falling into the cross hairs of Federal, State, or Local regulators, plaintiff attorneys, and consumer activist juries...while having their good name and brand called into question.

How Much Can You Afford to Lose?

You hope you are small enough to evade organized criminals as a target, but the statistics prove otherwise. Can you take \$50,000 of fines, penalties, and forensic costs in stride? And, what about the incredible distractions and time consuming, laborious tasks you will be forced to handle? Or, the damage to customer trust and your reputation?

Add to that the cost and complexity of meeting all the reporting requirements to the Federal Government and State Attorneys General, not to mention your obligations to notify and protect the victims of your breach. And, there are the financial consequences if you miss deadlines and respond inadequately. The cost of breach-related expenses can easily reach \$100,000! If a breach is not a business-ending event, it could certainly be a cause for sleepless nights.

But Am I Already Covered with My Insurance?

Unfortunately, General Liability, Employee Dishonesty or Computer Fraud Crime, Electronic Data Processing, Directors & Officers Liability Insurance, Fiduciary, or even Homeowners policies do not normally cover this exposure. Cyber/Privacy insurance can be a viable option but can be expensive and often takes second place after "brick and mortar" insurance.

So What Do I Do?

No company - large or small - should be unprotected in today's digital environment. With 60% of small companies that have been hacked going out of business within six months, it is simply too risky. One option to protect your business is First Watch Technologies, which provides a 360° Data Breach Protection Program that includes a robust bundle of pre- and post-breach response services of up to \$100,000 worth of forensics, regulatory reporting response, legal advice, consumer notification, fines, penalties, and other qualified data breach event expenses. For more information, please visit www.firstwatchcorp.com/sb. With this program in place you can sleep peacefully at night knowing that you have taken concrete steps to reduce your risk and protect your firm from the devastating consequences of a data breach.



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