

Beware of Costly Data Breaches

September 2011

A recent study found that over the past six years, data breaches have cost organizations well in excess of \$155 billion. These losses do not even include actual losses sustained by the victims of the breach, but account for only the organizations' costs. Of the total, over \$20 billion arose from disclosures of people's credit card numbers.

Broadcasters, cablecasters and other media that collect and maintain data on employees, listeners, viewers, website visitors and advertisers — especially if the data include financial account or Social Security Numbers — have a duty to take reasonable care to protect the security of such data. In addition, both federal and state laws impose substantial obligations on businesses that suffer a data security breach, and proposed federal legislation could impose still further requirements and penalties.

To reduce the risk, businesses must maintain responsible and reasonable data security. Wiley Rein attorneys can help design and implement a responsible data security plan that is appropriate for your business. For more information, please contact either the Wiley Rein attorney who normally handles your matters, or one of the firm's privacy and data security group attorneys listed below.

Authors

Kathleen A. Kirby
Partner
202.719.3360
kkirby@wiley.law