

Manufacturers and Distributors: The High Stakes of Ignoring Cyber Security In Your Business



CHOICE CYBERSECURITY



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ACCOUNTING | TECHNOLOGY | WEALTH ADVISORY

BILL WALTER



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PARTNER

ABOUT BILL WALTER

Bill Walter is a partner in Gross Mendelsohn's Technology Solutions Group. He helps businesses of all types and sizes document and remediate security systems. With 23 years of experience, Bill's passion is helping organizations better use technology to operate more efficiently.

Cyber Security

Remediation

Technology Best Practices

STEVE RUTKOVITZ



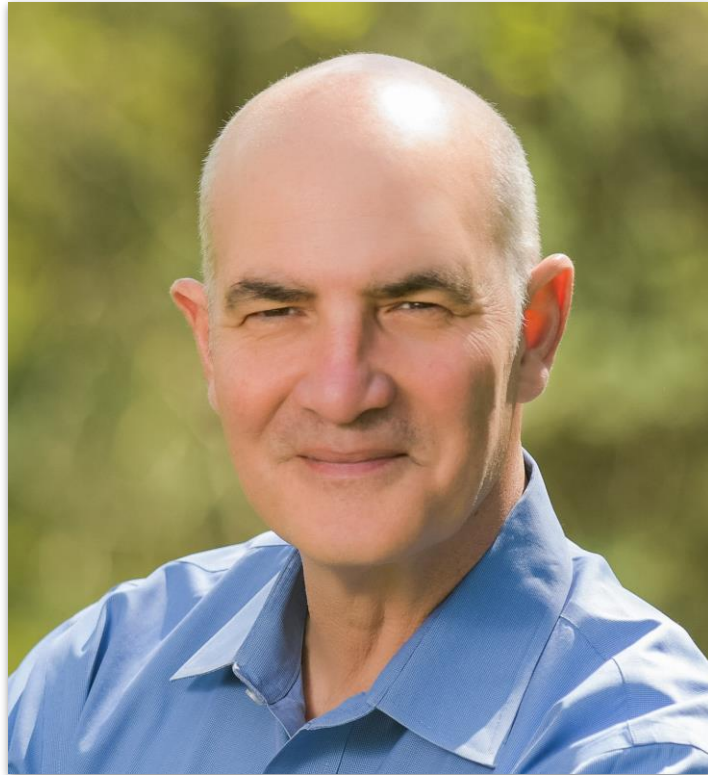
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PRESIDENT & CEO

ABOUT STEVE RUTKOVITZ

For over 20 years, Steve owned and operated a very successful MSP business. With a clear understanding of the market's needs, he developed an innovative security and compliance business process to meet today's ever changing business security threats.

Security and Compliance

Risk Assessments

Education

Audit Management



Security & Compliance

Security

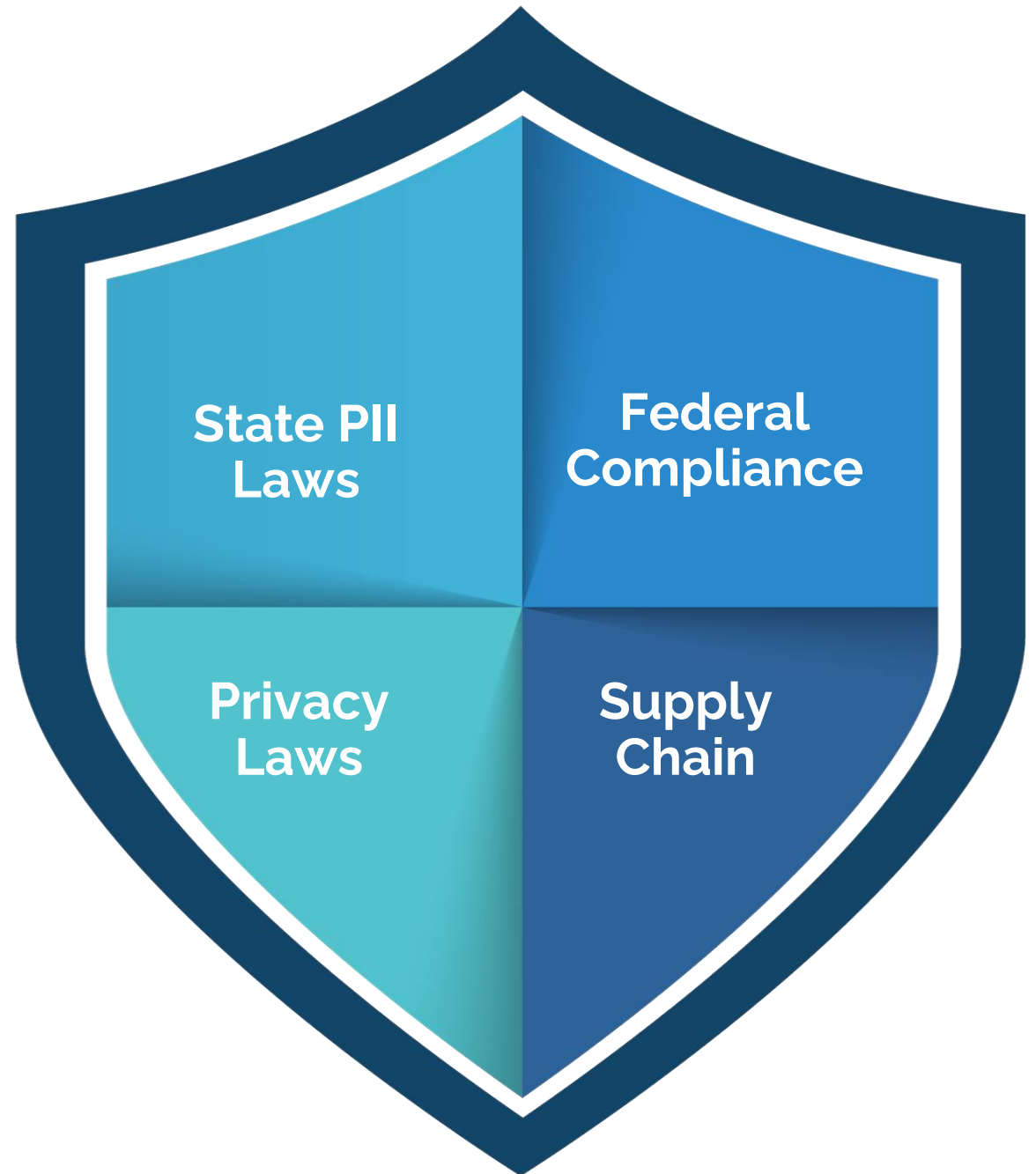
- The state of being free from danger or threat

Compliance

- The act of obeying an order, rule or request

Compliance & Best Practices

- NIST CSF
- ISO 27001
- GDPR
- CCPA
- PCI
- CMMC



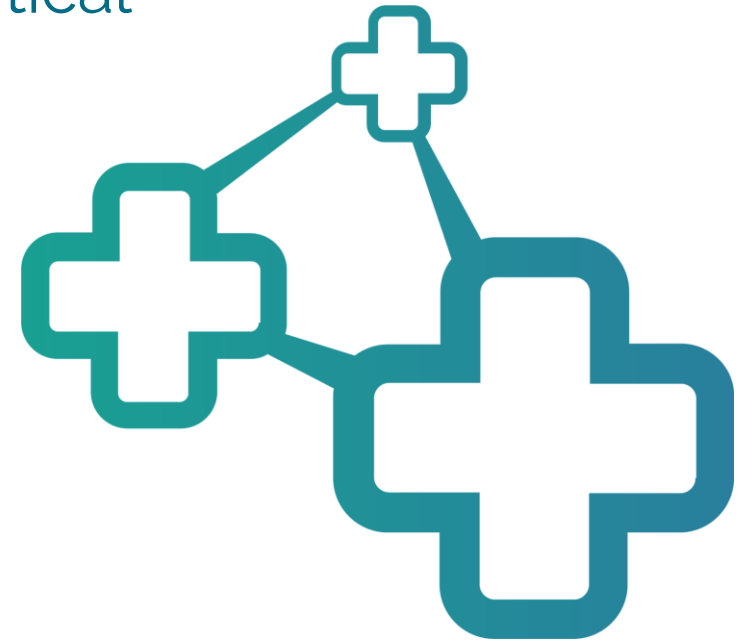
Top Rated Cyber Security Frameworks

NIST CSF

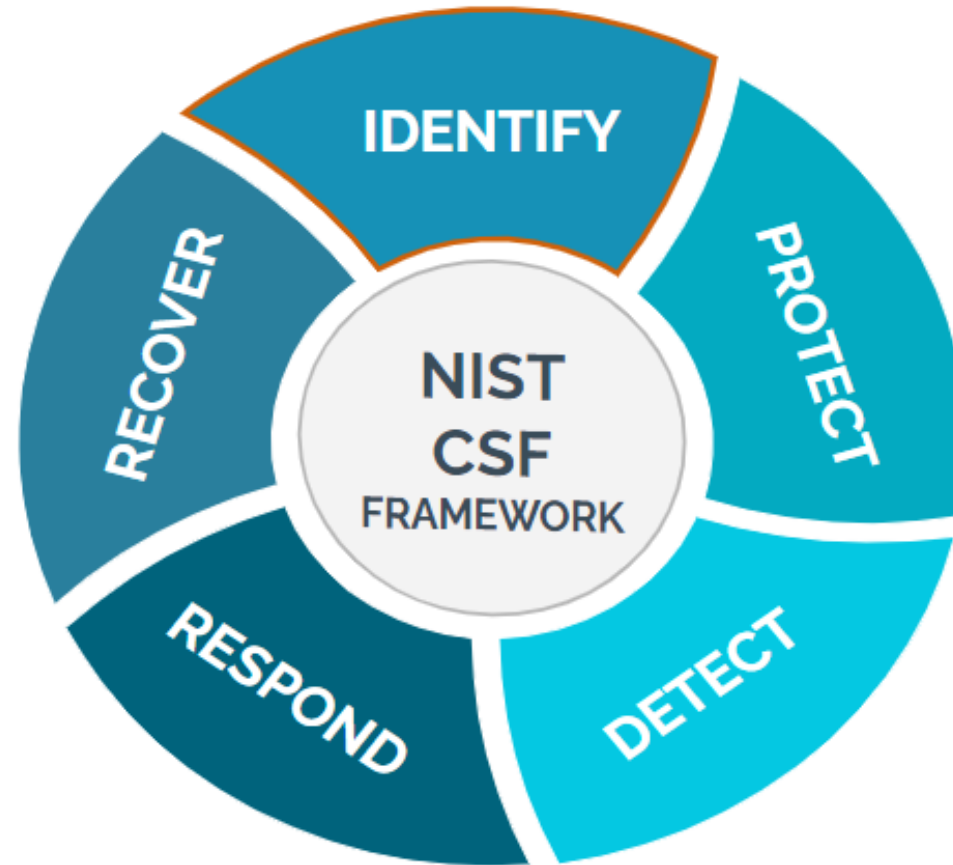
- The US National Institute of Standards and Technology (NIST) Framework for Improving Critical Infrastructure Cybersecurity (NIST CSF)

ISO

- The International Standards Organization (ISO) frameworks ISO/IEC 27001



NIST Cyber Security Framework



Supply Chain Risks



Cyber Security and Manufacturers

- 32% of Managed Service Providers (MSPs) [report](#) that manufacturing and construction industries are most targeted by ransomware.
- According to a recent SBA survey, 88% of small business owners felt their business was vulnerable to a cyber attack.
- An estimated 41% of companies have more than 1,000 sensitive files including credit card numbers and health records left unprotected.
- Cybercrime will cost the world \$6 trillion annually by 2021.

Cyber Security and Distributors

- Less than 40% of respondents in the firm's *2020 Manufacturing and Distribution Report* said they performed important data-breach prevention activities, such as penetration testing, phishing exercises with employees and assessments of vendors' data-security measures.
- Manufacturers and distributors have remained vulnerable to breaches; nearly half of survey respondents said that their companies had experienced cyber attacks within the last 12 months.

Types of Customers We Cater To

1 **COMMERCIAL**

2 **STATE**

3 **FEDERAL GOVERNMENT**

Penalties

The examples below are based off a breach:

- Bank account numbers
 - One instance would be **\$20**

For example, 1,000 records = **\$20,000**

Each credit card number is worth **\$100**

\$1,000 records = **\$100,000**

- Each driver's license = **\$10**

For example, 1,000 driver's licenses = **1,000**
- Safe harbor rules

Industry Changes

Factory
Equipment



Teleworking
& Physical
Security



Cloud



BYOD



Cyber Threats



TOP CYBER THREATS

- 1
- 2
- 3
- 4
- 5

• Ransomware

• Malware

• Phishing Attacks

• Brute Force Attacks

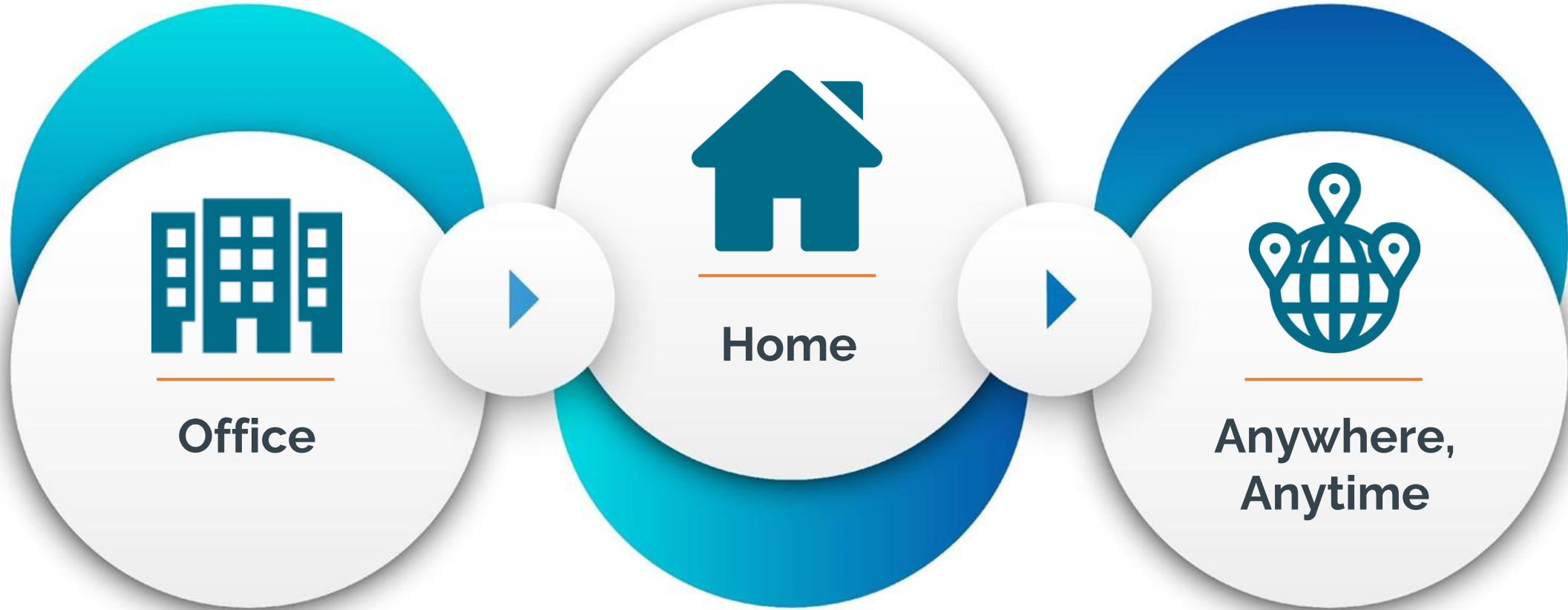
• Insider Threats

Security

- The Right Layers of Defense
- Reactive to Proactive
- Awareness Training



The New Normal



Compliance Components

Three Components



Technical



Administrative



Physical

Technical Safegaurds



Our Assessment Process



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Risk Assessments

- **Build a Baseline**
- **Uncover Gaps and Risks**
- **Expose Vulnerabilities**
- **Analyze Layers of Defense**
- **Identify Sensitive Data**
- **Missing Controls and Policies**



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Risk Assessment Components



PII Scan Results

TOTAL LIABILITY: \$10,043,391

35,000

ACH

9,936

Credit Cards

14,451

Social Security
Numbers

2,746

Dates of Birth

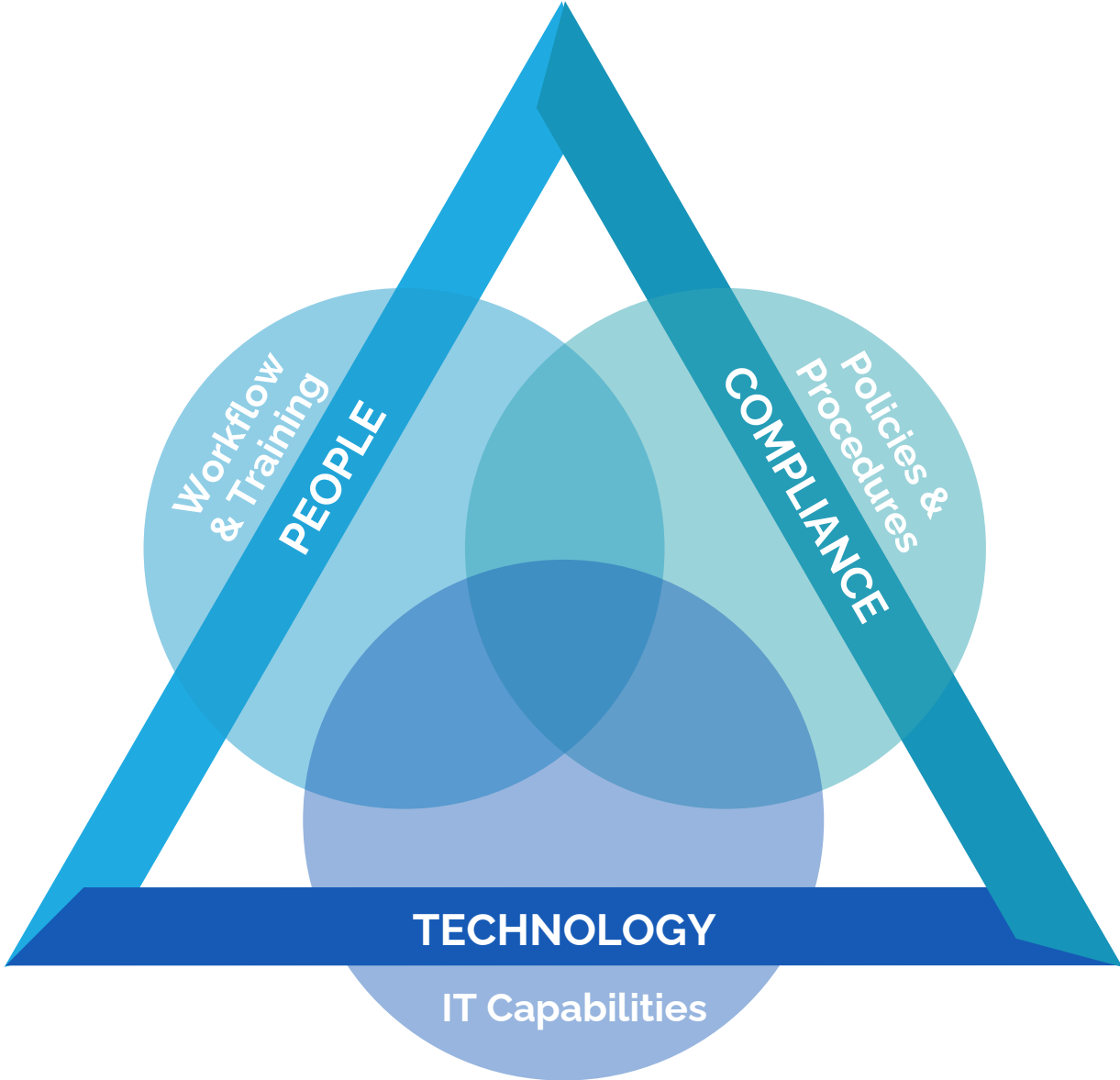
Policies & Procedures

Personally Sensitive Data Definition	Monitoring & Logging Operations	Access Controls & Logging	Organizational Policy & Process Documentation	Facility Management	Protection from Malicious Code
IT Asset Physical Security	Transmission Security	Uses & Disclosure of PHI with a Valid Authorization	Notice of Privacy Practices	Individual Rights to Uses & Disclosure of PII	Encryption & Decryption
Disclosure Authorization	Physical & Environmental Security	Minimum Necessary & Limited Data Set of PHI	Amendment of PHI	Uses & Disclosure of ePHI General Rules	Incident Response & Disaster Recovery
HIPAA Privacy & Security Awareness Training	Contingency Plan	Business Associate Agreements	Individual Rights to PHI	Designating a HIPAA Privacy & Security Official	Social Media Policy
Complaints and Prevention of Retaliatory Acts	Sanctions	Risk Analysis & Management	HIPAA Terms & Definitions	Password Management	Mobile Device & Teleworking

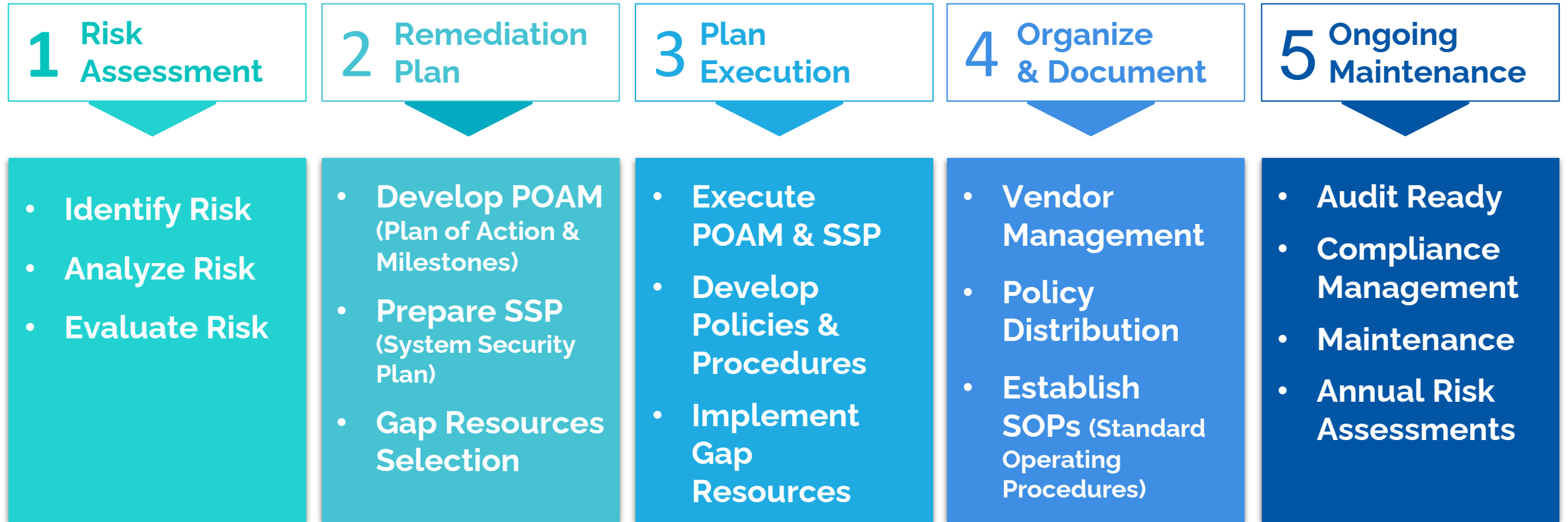
The Stack of Security Layers



Total Alignment



Choice Compliance Journey





CHOICE CYBERSECURITY

Independent risk assessments with over 100 conducted worldwide since 2000

Works with your existing Managed Services Providers (MSP) or IT staff

NIST and ISO experience

Experts at providing start to finish compliance and solution

Approved vendor for the Maryland Cybersecurity 50% Tax Credit

Team of Experts



Hit The Ground Running

We help you **MEET** and **MAINTAIN** compliance through our all-in-one *continuous compliance services.*



Q&A



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